IN THE COURT OF APPEAL OF THE STATE OF CALIFORNIA SECOND APPELLATE DISTRICT DIVISION CIV. NO. B 038975 (S.Ct. No. C420153)

CHURCH OF SCIENTOLOGY OF CALIFORNIA and MARY SUE HUBBARD,

Plaintiff-Petitioners,

- against -

GERALD ARMSTRONG,

Defendant.

CHURCH OF SCIENTOLOGY OF CALIFORNIA and MARY SUE HUBBARD,

Petitioners

- against -

SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF LOS ANGELES,

Respondents.

BENT CORYDON, Real Party in Interest

Response From the Superior Court of California
County of Los Angeles
Judge Bruce R. Geernaert

OPPOSITION TO PETITION FOR WRIT OF SUPERSEDEAS
OR OTHER STAY ORDER
(FILED UNDER SEAL)

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INTRODUCTION

Prior to the commencement of these proceedings, because the Armstrong file was sealed, Respondent-Real Party in Interest CORYDON was not aware that all the documents in which privacy interests were asserted, including even those admitted as Exhibits at trial, were returned to Petitioner pursuant to stipulation.

See Stipulated Sealing Order, Exhibit A. Under these circumstances, and in light of the fact that the individual who authored or was the subject of the documents in the Armstrong litigation, L. Ron Hubbard, is deceased, Petitioners' claims that important privacy interests will be irreparably harmed if the court record is unsealed is either frivolous or a bad faith tactic to cover up other matters that will be revealed by the Armstrong files.

Until Respondent-Real Party in Interest has more fully examined the temporarily unsealed file, the only thing certain is that the court file below contains only the public records of a hotly contested litigation that received substantial public attention. All the documentation about which the litigation centered, (hereinafter the Archive Documents), including the exhibits submitted at trial, have been hidden away from public view by Petitioners, even though they may have a substantial bearing on other lawsuits in which the Church of Scientology is a party. Under these circumstances, California courts have determined that "it is clearly improper, even on stipulation of the parties, for the court to issue an order designed not to

preserve the integrity and efficiency of the administration of justice [citation] but to subvert public policy." Mary R. v. B&R Corp. (1983) 149 Cal.App.3d 308, 316, 196 Cal.Rptr. 871, 876. Furthermore, insofar as the record below shows no court determination that each of the voluminous documents were subject to any privacy privileges (with a few exceptions discussed infra), all the Archive Documents in the Armstrong case, but especially those that were admitted as exhibits or marked for identification in the Armstrong trial, should be ordered returned to the Court and be subject to inspection by interested parties.

ARGUMENT

I

PETITIONERS HAVE NOT SHOWN THAT THE COURT

FILES SHOULD REMAIN SEALED OR SHOULD HAVE BEEN

SEALED IN THE FIRST PLACE.

"Judicial records are historically and presumptively open to the public and there is an important right of access which should not be closed except for compelling countervailing reasons." Pantos v. City & County of San Francisco (1984) 151 Cal.App.3d 258, 262-263, 198 Cal.Rptr. 489 (emphasis added). Accord, Estate of Hearst (1977) 67 Cal.App.3d 777, 136 Cal.Rptr. 821.

Exceptions to this rule should be limited to instances where the party seeking to deny public access establishes "compelling reasons why and to what extent [the] record should be made private." Mary R., supra, 149 Cal.App.3d at 317. Contrary to

this standard, there was no document-by-document determination to overcome the presumption that the court files should be open or to determine that sealing was warranted. See, Transcript of Proceedings attached hereto as Exhibit B. Rather, the records herein were sealed en masse to facilitate a settlement without reference to the public interest. Consequently, it is ironic that Petitioners rely on <u>United States v. Hubbard</u> (D.C.Cir. 1980) 650 F.2d 293, for the proposition that the unsealing of documents requires a particularized examination of individual documents (see Petition at 15), when there was never a particularized review to cause the Armstrong court files to be sealed in the first place. 1/ Furthermore, as to the documents admitted into evidence or marked for identification, the trial court expressly determined that they should be kept matters of public record. Yet they too have been removed from the court file even though the court's Memorandum of Intended decision, attached hereto as Exhibit "K", stated:

"All exhibits received in evidence or marked for identification, unless specifically ordered sealed, are matters of public record and shall be available for public inspection or use to the same extent that any such exhibit would be available in any other lawsuit. In other words they are to be treated henceforth no differently than similar exhibits in other cases in Superior Court. Furthermore, the "inventory list and"

However, the Court found thirteen of the Archive Documents to be subject to one or another privilege. <u>See</u> Minute Order February 11, 1985 attached hereto as Exhibit C and <u>United States v. Zolin</u> (9th Cir. 1987) 809 F.2d 1411, 1413. At the present time, six of those documents remain under seal pursuant to Judge Geernaert's November 30, 1988 order. The remainder, after return to the Court from the United States government, have been returned to Petitioner, depriving all interested parties of an opportunity to determine whether any privilege should attach against their interests.

description," of materials turned over by Armstrong's attorneys to the court, shall not be considered or deemed to be confidential, private, or under seal.

All other documents or objects presently in the possession of the clerk (not marked herein as court exhibits) shall be retained by the clerk, subject to the same orders as are presently in effect as to sealing and inspection, until such time as trial court proceedings are concluded as to the severed cross complaint. For the purposes of this Judgment, conclusion will occur when any motion for a new trial has been denied, or the time within such a motion must be brought has expired without such a motion being made. that time, all documents neither received in evidence, nor marked for identification only, shall be released by the clerk to plaintiff's representatives." Decision, pp.2-3.

Petitioners have argued that the requirement of the sealing as part of the settlement agreement warrants maintaining the seal. However, the wholesale sealing of the record solely to promote a settlement does not meet the criteria established in Pantos,

Hearst and Mary R. Furthermore, given that the trial court's judgment during the underlying proceedings was not to seal the record in toto, there is no determination in the underlying record that supports Petitioner's claims to privacy in the court records. Indeed, rather than supporting allegations of important privacy interests, counsel's review of the temporarily unsealed files as of the date this brief is being prepared suggests that the motive for sealing the file is merely to cover up undesirable conduct of Petitioners and their counsel that were revealed during their prosecution of the Armstrong case. (See Declaration of Toby L. Plevin attached hereto). For example:

- 1. The mutual release and settlement agreement with Armstrong was to be made part of the court records but was never filed. See Exhibit D. The failure to file that document may in fact be related to the issues regarding obstruction of justice that are implicit in that agreement as suggested by co-counsel, Paul Morantz, in the Response to Petition for Writ of Supersedeas filed by him. A copy of the Mutual Release is attached hereto as Exhibit "E".
- 2. Neither the sealing order of December 11, 1986, nor the oral proceedings regarding the sealing order, specified that documents given under seal to the United States as a result of the court's February 11, 1985 Minute Order were to be returned to Petitioner. See Minute Order attached hereto as Exhibit C; Transcript of Proceedings of December 11, 1986, attached hereto as Exhibit B; and Order of December 11, 1986, attached hereto as Exhibit F. However, after those were returned to the trial court, they were returned to Petitioner. See Exhibit G, letter and Declaration of Richard E. Greenberg, and Exhibit H, Receipt of Exhibits dated March 14, 1988. It should be noted that even though Exhibit 500-KKK, was determined by the court not to be privileged, it was returned to Petitioner along with the other documents.
- 3. At this point in the review of the underlying file, counsel has seen copies of Church documents demonstrating an intentional misuse of a prior Church member's confessional

(PC) files as part of a deliberate litigation strategy against that person. See Exhibit I. This Exhibit is a GO (Church Intelligence) order on how to handle the lawsuit brought by LaVenda Von Schaick against the Church. On page 2 it states:

"Get Lavenda's pc folder FES'd [summarized] and a message written from the C/S [case supervisor] which indicates her current state of case and the correct BPC on her [this roughly translates to "a correct reading on what's the cause of any emotional upheaval]. LaVenda may have her current pc folder so care must be taken to ensure (sic) this is an accurate [report]."

On page 3, possible areas of blackmail are mentioned and encouraged.

There is also a minute order of the court concluding that violating the PC files was the practice of the Church.

See Exhibit J. This finding was also contained in the Memorandum of Intended Decision. See Exhibit K, pp.7-8.

Indeed, the court stated that through use of these or other security files

". . . the Church or its minions is fully capable of intimidation or other physical or psychological abuse if it suits their ends. The record is replete with evidence of such abuse." (Emphasis added.)

We must ask this Court to consider whether this type of document should be sealed from public inspection.

- 4. The file also contains Church documents demonstrating a pattern of extensive "intelligence" operations respecting its members. See Exhibits I and L.
- 5. The file contains a Church policy statement written by L. Ron Hubbard admitting with pride that its processes successfully brainwash its adherents. See Exhibit M.
- 6. The file contains a Church policy statement that the purpose of a lawsuit "is to harass and discourage rather than to win", and that the Church should press on with lawsuits even knowing, at the outset, that its position has no merit. Furthermore, the objective of the lawsuit is "if possible, of course, ruin (the adversary) utterly". See Exhibit N.
- 7. The court file includes a motion filed by Petitioner captioned "Unopposed Motion to Withdraw Memorandum of Decision" which was filed after settlement was reached and the first appeal was dismissed. Attached to the Unopposed Motion is a statement by counsel for Mr. Armstrong, on the letterhead of Church counsel, Lenske, Lenske & Heller, indicating agreement with that motion. The filing of the motion and the statement of non-opposition suggests a deliberate effort to undermine the potential collateral

estoppel effect of the court's decision which would therefore defeat important public and judicial policies implicit in the doctrine of collateral estoppel, including the protection of adversaries from vexatious litigation. See Montana v. United States (1979) 440 U.S. 147, 153-154, 99 S.Ct. 970, 973-974. The Unopposed Motion is attached hereto as Exhibit O. The Motion was denied. See Exhibit P.

To be sure, as of this date, counsel has had time only to review approximately one-quarter of the Armstrong file. It is possible that documents revealing a legitimate privacy interest might yet surface as this review continues. On the other hand, counsel suggests that is more likely that the remainder of the court file will yield additional blemishes upon the face of Scientology and the conduct of its counsel. Thus, it appears that the exposure of that conduct, rather than the asserted privacy privilege, is the motive for the sealing of the file. Indeed, when combined with the in-court statement of counsel for the Church at the hearing on the stipulated sealing order, the picture that emerges suggests nothing less than a deliberate policy of obstruction of justice. At that hearing, counsel for the Church stated: "[Sealing] is the procedure that the church has insisted on and all courts have agreed to in various other Scientology cases involving Mr. Flynn and others which have been settled." Reporter's Transcript of Proceedings, December 11, 1986, page 6 attached hereto as Exhibit B. In fact, a close review of the colloquy on that date reveals not one shred of concern for privacy. The only proffered explanation for the stipulation for

sealing was counsel's statement above to the effect that "that's the way we do things."

The issues suggested by the above list demonstrate the strongest possible public interest in access to the Armstrong files, not only as they now exist, but also to the exhibits admitted or marked for identification at trial²/ (which have been returned to the Church) as well as all the documents returned to the Church. The Court should also consider remedial measures regarding all files similarly sealed as a condition of settlement with parties adverse to the Church of Scientology.

II.

ASSUMING ARGUENDO THE EXISTENCE OF VALID PRIVACY INTERESTS, CORYDON HAS DEMONSTRATED A NEED SUFFICIENT TO REVIEW THE FILE

Assuming <u>arguendo</u> that the sealing of the <u>Armstrong</u> file was appropriate to begin with, the burden on a party who seeks to open the file has been met by Mr. Corydon <u>even if that burden is as substantial as Petitioners have maintained</u>. Specifically, Petitioners claim that the correct standard is that the moving party demonstrate "a realistic expectation of relevance" in the

²/ According to Judge Breckenridge's decision, see Exhibit K attached hereto, the exhibits admitted into evidence were No. 500-40; JJJ; KKK, LLL, MMM, NNN, OOO, PPP, QQQ, RRR and 500-QQQQ. The exhibits marked for identification were JJJJ; Series 500-DDDD, EEEE, FFFF, GGGG, HHHH, IIII, NNNN-1, OOOO, ZZZZ, CCCCC, GGGGG, IIIII, KKKKK, LLLLL, OOOOO, PPPPP, QQQQQ, BBBBBB, OOOOOO, and BBBBBBB.

documents rather than "an idle hope" that the documents will be useful. (Petition, p. 30, citing, United States v. Zolin (9th Cir. 1987), 809 F.2d 1411, 1414, citing, United States v. Goldman (9th Cir. 1980), 637 F.2d 664, 667.)

In the case captioned <u>Corydon v. The Church of Scientology</u>, <u>et al.</u>, L.A.S.C. Case No. 694401, CORYDON alleges that the policies of the CHURCH OF SCIENTOLOGY directed against him include extensive conspiratorial "fair game" tactics. (<u>See</u> Third Amended Complaint attached hereto as Exhibit Q.) Specifically, he alleges:

The business of the Church of Scientology International, Inc. (hereinafter "the Church") and its affiliated entities as more fully described hereinafter, is the marketing and selling Dianetics and other the books of L. Ron Hubbard; profiting from such sales; marketing an extraordinarily expensive series of courses and counselling sessions by using fraudulent guarantees of improved intelligence, health and well-being. Through these counseling sessions, personal secrets are divulged in a confessional fashion and mind control techniques are utilized which entrap people into spending even more money on more courses and auditing, and in many instances, to persuade them into deserting their families and turn them into drones for Scientology. Persons who become such drones by joining the staff of one of the many subordinate organizations of Scientology are subject to further degradation for failure to meet goals set for sales of courses, clerical jobs, menial tasks -- none of which are doctrinal in nature. Such degradation includes imprisonment at secret Scientology facilities, sleep deprivation, food deprivation and physical punishment, i.e., running around a flag pole for 10 hours a day.

* * *

14. Subsequent to Hubbard's death, the control of Scientology passed from Hubbard to David Miscavige, Norman Starkey, and Lyman Spurlock (hereinafter sometimes referred to as "Scientology Managing Agents).

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* * *

- 19. 'Fair Game' is a Defendant Church doctrine and policy directing that any individual or employee who expresses a lack of loyalty or a refusal to comply with Church policy or the orders of any of the Managing Agents or their subordinates is open to any form of harassment, economic ruin or subject to any convert or notorious plan purposely designed to cause emotional and physical harm and/or financial ruin no matter how invasive or despicable the method employed. This Church doctrine champions the destruction of an individual's business or reputation, by a variety of tactics including framing false charges of criminal acts, intentional interference with business contracts, and with personal relationships, and other intentional acts.
- 20. In 1981, ³/₂ because of alleged infractions of Church rules, Plaintiff was coerced by the Church Defendants, acting by and through certain individual Scientologists, to sign over and transfer his Riverside franchise to Defendants so as to avoid the plight of `Fair Game.' Plaintiff was not permitted to return to control in Riverside until November 1981.

* * *

- 24. Subsequent to this breaking away, Hubbard and his successors, Miscavige, Starkey and Spurlock conspired to undertake a campaign to harass and defame Plaintiff and to destroy the new church he had established, the Church of Sciologos. This conspiracy was commenced when in December 1982, the Church Defendants ordered certain individuals to sue Plaintiff and others and to claim ownership of the building belonging to the Church of Sciologos.
- 25. The conspiracy was furthered in late 1985 when, at a meeting attended by Miscavige, Starkey and Spurlock and other, David Miscavige ordered the Plaintiff be physically attacked and his group disrupted.
- 26. This plan was carried out on numerous occasions in 1985 and 1986 when Plaintiff was physically attacked. In February 1986, a high ranking Scientologist named Dennis Clark

 $^{^{3/}}$ This is a typographical error in the complaint and should read "In 1978. . . "

entered the Church of Sciologos looking for Plaintiff and, when he couldn't find him, physically attacked another person, Marc Chacon.

27. This plan was carried out by repeated invasions into the Church of Sciologos by Scientologists posing threats to persons legitimately therein, taking photographs of individuals whose privacy was intruded on, climbing on the roof, and by provoking fights. The most recent of these events occurred in April 1988.

28. In 1985 Plaintiff began writing a book about Scientology and its founder, L. Ron Hubbard, which was published in August, 1987 under the title L. Ron Hubbard: Messiah or Madman?. Hubbard and the Managing Agents (Miscavige, Starkey and Spurlock) received information about this from spies planted with Sciologos, Plaintiff's new church, and from Plaintiff's co-author, Hubbard's estranged son, Ron DeWolf."

The actions alleged in the complaint, as quoted above, are examples of the "fair game" policy created by the founder of Scientology, L. Ron Hubbard, which dictates that an enemy of the Church "may be deprived of property or injured by any means by any Scientologist without any discipline of the Scientologist. May be tricked, sued, lied to or destroyed." (See Exhibit R) In his Memorandum of Intended Decision in the underlying case, Judge Breckenridge found that the "fair game" policy to be an active Scientology policy. (See Memorandum of Intended Decision, attached hereto as Exhibit K, p. 8.) Given Judge Breckenridge's findings, Mr. Corydon's assertion that he has been the target of "fair game" strategies demonstrates an important need for access to the underlying court file that meets the Zolin standard of a "realistic expectation" of finding relevant material.

The underlying case, however, promises even more fruitfulness for this litigant. Specifically, the court found that L. Ron Hubbard personally ran the CHURCH OF SCIENTOLOGY, notwithstanding its myriad related corporate entities in which Hubbard had no corporate positions. (See Memorandum of Intended Decision, p. 9.) Thus, the evidence in the underlying file is of great importance to Mr. Corydon's lawsuit in which he asserts that the numerous corporate structures within the CHURCH OF SCIENTOLOGY are only shells, operated by and at the direction of a single hand, or since Hubbard's death, at the hand of his three successors, David Miscavige, Norman Starkey and Lyman Spurlock. If this can be demonstrated, then the records of all of the corporate entities can be reached by service on any one of them and they can all be held liable for the fair game strategies implemented by any one of them or on the orders of any one of them. See ¶¶ 12-14 and 24 of the Third Amended Complaint, attached hereto as Exhibit Q.

Given the strength of CORYDON's needs and the corollary paucity of Petitioner's claims when they are deprived of their overblown dressing, there is a powerful need for access to the underlying court documents. Indeed, when it is further observed that the sealing order was based upon a stipulation of the parties, not a result of any finding necessitated by the court, the opening of the file becomes essential.

CONCLUSION

In closing, it should be noted that the CHURCH OF SCIENTOLOGY is engaged in substantial litigation in the courts of this and other jurisdictions. Discovery has been extremely difficult for adverse counsel because of the frequency of the Church's claims not to have documents which are in the possession of a theoretically distinct corporation. The continued sealing of the Armstrong files will the assist the CHURCH OF SCIENTOLOGY to perpetuate tactics which, for want of a better word, must only be considered as obstruction of justice. Accordingly, Bent Corydon urges this Court to affirm the decision of Judge Geernaert to open the file below for inspection by whomever of the many persons who have been sued by Scientology needs it. Furthermore, this Court should order Petitioners to return to the court file all of the documents returned to it pursuant to the stipulation of parties for determination as to whether or not a privacy interest exists

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in any of them except for those documents which were in fact admitted into evidence or marked for admission into evidence to which CORYDON's counsel should have immediate access. Petitioners should also return to the court and counsel for BENT CORYDON should have immediate access to those documents which were delivered under seal to the United States government pursuant to the Minute Order of February 11, 1985.

DATED: January **2**, 1989

SAYRE, MORENO, PURCELL & BOUCHER

FEDERICO C. SAYRE TOBY L. PLEVIN

Attorneys for Plaintiffs

DECLARATION OF TOBY L. PLEVIN

I, TOBY L. PLEVIN, declare:

- 1. I am an attorney licensed to practice law before this
 Court and an associate of the law firm of Sayre, Moreno, Purcell &
 Boucher, counsel of record for Real Party in Interest BENT CORYDON
 herein. If called as a witness, I could competently testify to
 the matters stated herein.
- 2. Pursuant to the order of Judge Geernaert unsealing the Armstrong files, the first day I had access to the files was December 30, 1988.
- 3. On that date and on January 3, 1989, I reviewed approximately 20% of the file.
- 4. I did not see a copy of the Mutual Release and Settlement Agreement in any of the volumes I reviewed which included all the volumes containing documents relevant to settlement.
- 5. Most of the Exhibits to Motions I did see are available from other sources, e.g., HCOB July 22, 1956, Exhibit N hereto.

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I declare under penalty of perjury that the foregoing is true and correct. Executed this day of December, 1988 at Los Angeles, California.

TØBY L PLEVIN

DecAarant

BRUCE BUNCE CONTOS & BUNCH 5855 Topanga Canyon Boulevard Suite 400 Woodland Hills, CA 91367 (818) 716-9400 ORIGINAL FILED Attorneys for Cross-Complainant Gerald Armstrong DEC 1 1 1986 COUNTY, CLERK JOHN G. PETERSON PETERSON AND BRYNAN 8530 Wilshire Boulevard, Suite 407 Beverly Hills, California 90211 (213) 659-9965 9 Attorneys for Plaintiff and Cross-Defendant 10 CHURCH OF SCIENTOLOGY OF CALIFORNIA 11 SUPERIOR COURT-OF THE STATE OF -CALIFORNIA FOR THE COUNTY OF LOS ANGELES 14 CHURCH OF SCIENTOLOGY OF Case No. C 420153 CALIFORNIA, a California 15 Corporation, 16 Plaintiff, 17 STIPULATED SEALING ORDER 18 GERALD ARMSTRONG 19 Defendant. 20 AND RELATED CROSS-ACTION. 21 22 Pursuant to and as a provision of a Settlement Agreement 23 into the following stipulation: 26

CHRIST A

Dafandant/Oroso-Complainant haraby arrass that the

the following records in the Custody of the Clerk:

- a) All those documents surrendered to the custody of the Clerk of the Court by Michael Flynn and the law firm of Contos & Bunch in September 1982, pursuant to the Order of Judge John J. Cole in the above captioned case, dated September 4, 1982; and b) all exhibits entered into evidence or marked for identification at the trial of this case in May June of 1984.
- 2. The entire remaining record of this case, save only this order, the order of dismissal of the case, and any orders necessary to effectuate this order and the order of dismissal, are agreed to be placed under the seal of the Court.
- Tequire a motion or any further pleadings to effectuate and sign this Stipulated Sealing Order, the parties will jointly comply with the Court's further orders, if any.

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	4. This agreement is effective as of the date of the
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2	dismissal of this case.
3	DATED: 1986) // // // //
4	DRICE BUNCH JUNIAN DRAGOTEVIC
5	CONTOS & BUNCH 5855 Topanga Canyon Boulevard
6	Stite 400
7	Woodland Hills, CA 91367 (818) 716-9400
8	Counsel for Defendant/Cross-Complainant
9	
10	JOHN G. PETERSON
11	PETERSON & BRYNAN 8530 Wilshire Bouleverd
12	Suite 407
13	(213) \$59-9965
14	Counsel for Plaintiff/Cross-Defendant
15	```
16	IT IS SO ORDERED.
17	
18	S PAUL G. BRECKEIRIDGE, JR. DEC. 11,1986 Dated
	HON. PAUL G. BRECKENRIDGE
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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

DEPARTMENT NO. 57 HON. PAUL G. ELECKENRIDGE, JR., JUDGE

GERALD ARMSTRONG,

Cross-Complainant,)

7 vs. No. C 420 153

CHURCH OF SCIENTOLOGY OF CALIFORNIA,

Cross-Defendant.

MARY SUE HUBBARD,

Intervenor.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

Thursday, December 11, 1986

APPEARANCES:

For the Crose
Complainant:

By: JULIA DRAGOJEVIC and

MICHAEL FLYNN

5855 Topanga Canyon Boulevard

Suite 400 : Woodland Hills, California 913677

For the Cross- PETERSON & BRYNAN By: JOHN G. PETERSON

8530 Wilshire Boulevard, Suite 407

Beverly Hills, California 90211

(Appearances Continued Inside)

NANCY L. HARRIS, CSR No. 644
Official Reporter

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APPEARANCES: (Continued) Appearance of the continued For the Founding MICHAEL LEE HERTZBERG Church of Scientology Pro Rac Vice 275 Madison Avenue and Intervenor: New York, New York 10016 LAWRENCE E. HELLER Also Present: 7 4

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LOS ANGILES, CALIFORNIA; THURSDAY, DECEMBER 11, 1986; 4:03 P.M.

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THE COURT: All right. The parties are here on Armstrong versus Church of Scientology.

MR. FLYNN: We are here.

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After lengthy negotiations, Your Honor, between myself and Mr. Hertoberg on behalf of the Church and Mary Suc Hubbard, we are extremely happy to report to the court that the court will not have to try this case, this counterclaim in March.

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The parties have resolved the case to the satisfaction of Mr. Armstrong and to myself and to Mr. Hertzberg's client.

14

THE COURT: How about Miss Dragojevic?

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MS. DRAGOJEVIC: I think I will go along with it.

17 18 MR. PETERSON: Maybe we should identify ourselves for the record.

19

THE COURT: Yes, probably a good idea.

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MR. FLYNN: Michael Flynn for Gerald Armstrong.

21

MS. DRAGOJEVIC: Julia Dragojevic for Gerald Armstrong.

23

MR. HELLER: Lawrence Heller, and I am here in case there were any questions. I had a little input in the settlement.

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Sciencelogy of California.

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MR. HERTZBERG: Michael Les Hertzberg for Mary Sue \\
Hubbard, who is the intervenor in the underlying original care

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MR. FLYNN: Pursuant to the settlement, Your Honor, the parties have entered into a stipulation which we will provide the court to have the return of all documents to the Church with the exception of six documents which are currently under litigation in United States versus Scientology, the case that the government is trying to get six exhibits on, and the order that we provided to the court contemplates the exemption of those six exhibits.

We have also entered into a stipulation with regard to the sealing of the court records, and I believe Mr. Hertzberg has copies.

MR. PETERSON: I have the original of the stipulations and the order. I would present it to the clerk for filing and she could give it to the court. Might want to follow along.

THE COURT: I have read the proposed stipulation and order that have been submitted. And the question arises in my mind, what about the -- does this dismissal have anything at all to do with the underlying case that is presently on : appeal?

MR. FLYNN: It doesn't, Your Honor.

On appeal pursuant to the stipulation of the parties.

THE COURT: Well, won't those exhibits have to remain with the court? As that matter is still on appear?

MR. HERTZBERG: Your Honor --

THE COURT: I don't mean the ones that are just sitting

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marked and received either as an exhibit for identification or received in evidence in the case.

MR. HERTZBERG: I don't believe they all do, Your Honor.

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I think that the court of appeal has chosen certain exhibits, a discrete number of them which they have before them and they have made that choice, so I don't think -- certainly as Your Honor has recognized, none of the other documents would be affected, and I don't know how many documents we are talking about that may be before the court of appeal --

THE COURT: Well, I mean, there is a problem. I don't know what the court of appeal is going to do.

Let's assume they reverse it and send it back for a new trial. I assume these exhibits will still have to be used if the case is going to be retried on the underlying complaint.

MR. FLYNN: Pursuant to the issues that are remaining, Your Honor, I think that the parties' overall stipulation is such that we will not need those exhibits on any retrial if, in fact, there is a retrial.

I think Mr. Armstrong is satisfied, and I know I am satisfied, that we won't need them.

MR. HERTIBERG: Your Honor, that was a desirion that it part of the agreement that was made, a very important part of it, may I add an indispensable part of it. And after Mr. Armstrong consulted with counsel, this is part of what we

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So they are willing to proceed on that basis, and I don't think that the court should get involved, frankly.

THE COURT: Well, I am just trying to raise an issue here. I don't want six months downstream or a year somebody to start screaming, "Where are these exhibits? We need to retry this case."

If the court of appeal does one thing, they affirm, there may be a petition for hearing with the California Supreme Court or with the United States Supreme Court.

MR. HERTZBERG: Your Honor, we contemplated all that.

and time consuming, and we have arrived today, all those possibilities were discussed between our side and Mr. Flynn, and each side knows what they are bargaining for here. And Mr. Armstrong has signed a stipulation for return of sealed materials and exhibits which is before Your Honor.

The order tracks that. It has the additional language in it that it exempts from the scope of the return those documents that the federal court might be interested in, and that is what the agreement was between the parties.

THE COURT: What exhibits does the court of appeal have?

having argued one appellate case, I suppose there is a simple answer, also, to Your Honor's question in light of the stipulation. The appeals court could always simply request

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THE COURT: In Los Angeles we call it appellant.

MR. FLYNN: The appellant, whoever it is, them.

THE COURT: That is with the French, Bostonian or something.

The second second

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MR. HERTIBERG: Your Honor, I am informed that the court of appeal asked for 50 documents and they have them. So for the moment, presumably those could not be returned by the clerk of this court.

THE COURT: Well, it is the parties' agreement, then, but whatever they have got, the county clerk is no longer to be custodian of those and they will be returned to the parties by stipulation of the parties.

MR. HERTISERG: That is what we stipulated to in writing. That is an integral part of this settlement.

MR. PETERSON: And when the 50 documents come back -THE COURT: If it is what the parties want to do, it is
okay with me.

MR. PETERSON: And when the 50 documents come back from the court of appeal, they also will be turned over to the Church.

THE COURT: I think that the court would require a further joint order or stipulation.

In other words, I don't want to turn those over if a remititur comes down, regardless of what it is, or some olark turns than over without knowing whather or not they might be further needed.

MR. HERTZBERG: We agree to that right now.

THE COURT: Just by stipulation of the parties, it can be released at that time.

MR. HELLER: Your Honor, for what little I can give, this insight was accurate.

This was an issue that was discussed at length between the parties when negotiations were going on.

NR. FLYNN: It is apparently contemplated in paragraph 3 of the proposed order, Your Honor.

THE COURT: Well, this implies that immediately when they are returned that they be immediately turned over to the Church without any further --

MR. FLYNN: That is agreeable.

MR. HERTZBERG: That is agreeable.

MR. FLYNN: To Mr. Armstrong.

MR. HERTZBERG: This is part of this rather complex process that we have all agreed on.

THE COURT: What is this — under this stipulated sealing order paragraph 2 provides that the entire remaining records of this case, save only this creer, the order of dismissal of the case, and then the order necessary to effectuate this order and the order of dismissal, are agreed to be placed under seal of the court.

What is it that you have in mind, the file itself?

MR. HERTISERS: Yes, Your Honor. That is the procedure that the Church has insisted on and all courts have agreed to in various other Scientology cases involving Mr. Flynn and

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MR. FLYNN: We settled, Your Honor, several cases in the federal district court in Tampa, Florida and recently six cases in the federal district court in Los Angeles.

THE COURT: I just want to know what is contemplated so the clerk won't be running around and --

MR. FLYNN: I'd say the entire record, I mean the court file.

THE COURT: There was a reporter's transcript. There was an original and copies prepared.

Of course, those went to the court of appeal.

MR. FLYNN: Whatever is in the physical possession of the court --

THE COURT: I guess we are talking just basically this multiple set of files will be placed under some kind of seal.

MR. HERTZEERG: Your Honor, presumably any materials that come from the court of appeal would then be integrated under that seal.

THE COURT: Yes. That would be so understood:

Of course, there have been immunerable people in the interim who have come forward and examined the file. I haven't the slightest idea who all those people are, but certainly we can't go back and retract from them whatever they have seen or observed or copied.

MR. HEPTSSERG: "Va amissaturi, Your Roads.

THE COURT: All right. Then, the court will sign the respective orders.

Is that all?

THE COURT: I guess we should vacate the trial date. Any other motions? 2 MS. DRAGDJEVIC: Mandatory settlement conference. 3 MR. FLYNS: I am sure Your Honor is very sorry to hear all this. 5 THE COURT: We wish you all good luck in the future. You are all welcome to come back and try more 7 cases. Some other subject, perhaps. 8 MR. FLYRK: Feing from Boston, I'd like to personally 9 thank you for all your courtesies in the court. 10 11 THE COURT: Well, we sim to please. MR. HIRTIDERG: I don't want to be overly inquisitive, 12 13 Lit had Your Henor signed the order dismissing the case? 4 1 I signed whatever orders were submitted. lnoludes a dismissal. 16 MR. PETERSON: We will verify with the clerk and get a conformed copy. 17 18 Do you have originals of these? THE CLEPK: 19 MR. HILLER: I think those are all originals. 20 THE CLEVE: Originals, but they are copies of documents. 21 MR. PETERSON: I think the problem, some of them were 22 signed in counterpart. 23 MR. HELLER: We tried to get all signatures on one 24 because one of them has five or six signatures. 25 THE JOURT: Why don't you look ever what is there! 26 MR. PETERSON: I think we can work it out with the clerk, 27 any problems with original versus copy, and take care of it.

SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF LOS ANGELES DEPARTMENT NO. 57 HON. PAUL G. BRECKENKIDGE, JR., JUDGE GERALD ARMSTRONG, Cross-Complainant, 7 VE. REPORTER'S CERTIFICATE CHURCH OF SCIENTOLOGY OF 8 CALIFORNIA, Cross-Defendant. 10 11 STATE OF CALIFORNIA 12 COUNTY OF LOS ANGELES 13 I, NANCY L. HARRIS, Official Reporter of the 14 Superior Court of the State of California, for the County of Los Angeles, do hereby certify that the foregoing pages, 16 1 to 8, inclusive, comprise a true and correct transcript 17 of the proceedings held in the above-entitled matter on 18 December 11, 1986. 19 Dated this leth day of December, 1936. 20 21 22 , CSR No. 644 23 . Official Reporter 24

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Dor. FEB. 11, 1985

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

-- HONORABLEP G REEDLENRIDGE, JR JUDGE

Deputy Sheriff

, Deputy Clerk M HARRIS Reporter (Parties and counsel checked if present)

J SALGADO C 420 153

CALIFORNIA.

Court Attendant

Counselfor Litt & Stormer for Intervenor Zondiff ET: Michael S. Magnuson

Peterson & Brynan for Plff

Courselfor BY: John G. Peterson V

Defendon Michael Lee Hertzberg V-Pro Eac

Vice for Plff and Intervenor Overland, Berks, Wesley, Gits,

MARY SUE HUBBARD-INTERVENOR .

CHURCE OF SCIENTOLOGY, OF

THE PROPERTY OF THE PROPERTY O

GERALD ARMSTRONG

Randolph & Levanus for Levels Donald C. Randolph Y

for plff in Washington care

BY: Jeffrey B. O'Toole Pabinowitz, Boudin, Standard,

Krinsky & Lieberran - Washington cas:

BY: Edward Copeland

United States Attorney BY: John W. Toothman Vand Janet M. McClintock V

for moving party

NATURE OF PROCEEDINGS:

SECOND HOTICE OF MOTION OF THE UNITED STATES, A NON PARTY, TO INSPECT AND COPY CRRTAIN STALED DOCUMENTS

Motion resumes from Dasembar 3, 1984,

Responding party objects to this Court hearing any further matters until the issue of the 170.6 is resolved by the Appellate Court. Request of responding party for a Stay until the "...Appellate Process has run its course", is denied.

Motion argued.

Motion denied as to exhibits 500-4D's through 4i's, 5C's, 5G's, 5i's, 6B's and 60's; Motion granted as to exhibits 500-4Q's, 5K's, 5L's, 50's, 5P's and 5Q's. The Court finds a waiver of the privilege and further as to exhibit 500-5K's, said exhibit does not fall within the spousal provilege.

Motion of responding party for an order sealing the declarations of Sullivan and Armstrong, granted; said declarations are sealed for this proceeding only.

STAY OF EXECUTION IS GRANTED FOR TEN DAYS.

*Counsel for moving party to prepare an angle ingle

" subject to protective order

Die Com mer. Since and

DoteDEC.12,1986

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

HONORABLEP G BRECKENRIDGE, JR JUDGE

Deputy Sheriff

R HART

, Deputy Clerk , Reporter

NONE

Court Attendant

and section

NONE

(Parties and counsel checked if present)

C420153
GERALD ARMSTRONG,

Counsel for X—— Plaintiff

VS

Counsel for X -- Defendant

CHURCH OF SCIENTOLOGY OF CALIFORNIA,

NATURE OF PROCEEDINGS: ORDER

The Clerk having this date had conversations with counsel for cross-defendant, John G. Peterson, the Court finds that the document entitled "Mutual Release of All Claims and Settlement Agreement" referred to in the Joint Stipulation of dismissal as and executed copy and referred to in the Order Dismissing Action as an executed duplicated original, has not been filed with the court.

Good cause appearing therefor, the Court orders that the County Clerk may maintain the remaining six (6) exhibits in the normal and regular ranner of handling scaled exhibits.

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MUTUAL RELEASE AGREEMENT

- this ______ day of December, 1986 by and between _______ and the Church of Scientology of California.
 - 2. This is a release of the Church of Scientology of California, the Church of Scientology International, The Religious Technology Center, Author Services, Inc., and their officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel, L. Ron Hubbard, his heirs, estate, and his executor, Author's Family Trust, Mary Sue Rubbard, all Scientology organizations and entities and their officers, agents, remployees, servants, directors, successors, assigns and legal counsel (all hereinafter collectively referred to as the "releasees").
 - 3. It is understood that this settlement is a compromise of doubtful and disputed claims, and is not an admission of liability on the part of any party to this Agreement, specifically, the Church of Scientology of California, any other Scientology organization or exity, or any of their officers, agents, employees, servants, directors, successors, members, assigns, or legal counsel, by whom liability has been and continues to be expressly denied. In executing this

the organizations, individuals and entities listed in Paragraph 2 because, among other reasons, they are third party

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- each party herein released, and this Agreement shall never be treated as an admission of liability or responsibility at any time for any purpose.
- Official as been fully advised and understands that my alleged injuries sustained by him are of such character that the full extent and type of injuries may not be known at the ate hereof, and it is further understood that said alleged ijuries, whether known or unknown at the date hereof, might ossibly become progressively worse and that as a result, images may be sustained by nevertheless, desires this document to forever and fully release the releasees. Inderstands that by the execution of this release no aims arising out of his experience with, or actions by, the leasees, from the beginning of time to and including the date ereof, which may now exist or which may exist in the factories.
 - D. D. agrees never to create or publish or attempt publish, and/or assist another to create for publication by

ALTERNATION OF

writing, or to broadcast, or to assist another to create, write; film or video tape or audio tape, any show, program or movie, concerning his experiences with the Church of Scientology, or personal or indirectly acquired knowledge or information concerning the Church of Scientology, L. Ron Hubbard, or any entities and individuals listed in Paragraph 2 above. further agrees that he will maintain strict confidentiality and silence with respect to his experiences with the Church of Scientology and any knowledge or information he may have concerning the Church of Scientology, L. Ron Hubbard, or any of the organizations, individuals and entities listed in Paragraph 2 above expressly understands that the non-disclosure provisions of this supparagraph shall apply, inter alia, but not be limited to, the contents or substance of any documents as defined in Appendix "A" to this Agreement, including but not limited to any tapes, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard, or any of the Organizations, individuals, or entities listed in Paragraph 2 agrees that if the terms of this paragraph are above. breached by him, that the aggrieved party listed herein above Would be entitled to liquidated damages in the amount of \$50,000 for each such breach. The reasonableness of the amount of such damages are hereto acknowledged by

Callifornia at the time of the consummation of this Agreement,

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all materials in his possession, custody or control of any nature, including documents as defined in Appendix "A" to this Agreement, including but not limited to any tapes, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology or any of the persons or entities listed in Paragraph 2 above, all evidence of any nature acquired for the purposes of any lawsuit or acquired for any other purpose concerning any Church of Scientology, any financial or administrative materials relating personally to L. Ron Hubbard, his family, or his estate.

- obtain spiritual counseling or training or any other service from any Church of Scientology, Scientologist, Dianetics or Scientology auditor, Scientology minister, Mission of Scientology, Scientology, Scientology, Scientology.
- or cooperate with any person adverse to Scientology in any proceeding against any of the Scientology organizations, individuals; or entities listed in Paragraph 2 above. also agrees that he will not cooperate in any manner with any organizations aligned against Scientology.
- In any other judicial, administrative or legislative proceeding advance to Sprentology or any of the Scientology Churches, individuals or entitles listed in Paragraph 2 above unless compelled to do so by lawful subpoena or other lawful

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agrees not to discuss this litigation with anyone other than members of his immediate family. Shall not make himself amenable to service of any such subpoena in a manner which invalidates the intent of this provision. As provided hereinafter in Paragraph 21, the contents of this Agreement may not be disclosed.

- not under the influence of any drug, narcotic, alcohol or other mind-influencing substance, condition or ailment such that his ability to fully understand the meaning of this Agreement and the significance thereof is adversely affected.
- 7. This Release Agreement contains the entire Agreement between the parties hereto, and the terms of this Release are contractual and not a mere recital. This Release may be amended only by a written instrument executed by the undersigned. The parties hereto have carefully read and understand the contents of this Release Agreement and sign the same of their own free will, and it is the intention of the parties to be legally bound hereby. No other prior or contemporaneous agreements, oral or written, respecting such matters, which are not specifically incorporated herein shall be deemed to in any way exist or bind any of the parties hereto.
- anyone, including partnerships, associations or organization, contemplating any slain or engaged in litigation or involved in or contemplating any activity adverse to the interests of any activity or class of persons listed above in Paragraph 2 of this

- 9. Each party shall bear its respective costs with respect to the negotiation and drafting of this Agreement and all acts required by the terms hereof to be undertaken and performed by any party.
- parties enter into this Agreement freely, voluntarily, knowingly and willingly, without any threats, intimidation or pressure of any kind whatsoever and voluntarily execute this Agreement of their own free will.
- all. To the extent that this Agreement inures to the senefit of persons or entities not signatories hereto, this agreement is hereby declared to be made for their respective senefits and uses.
 - 12. The parties shall execute and deliver all documents and erform all further acts that may be reasonably necessary to ifectuate the provisions of this Agreement.
 - 13. This Agreement shall not be construed against the party reparing it, but shall be construed as if both parties prepared is Agreement. This Agreement shall be construed and enforced accordance with the laws of the State of California.
 - 14. In the event any provision hereof is unenforceable, the provision shall not affect the enforceability of any other ovision hereoff.
 - 15. Each party warrants that it has received independent at advice from its attorneys with respect to the advisability making the settlement provided for herein and in executing s Agreement.

16. The ---

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parties have conducted sufficient deliberation and investigation, either personally or through other sources of their own choosing, and have obtained advice of counsel regarding the terms and conditions set forth herein, so that they may intelligently exercise their own judgment in deciding whether or not to execute this Agreement.

- employee, representative or attorney of or for any party)
 acknowledge that they have not made any statement,
 representation or promise to the other party regarding any fact
 material to this Agreement except as expressly set forth herein.
 Furthermore, except as expressly stated in this Agreement, the
 parties in executing this Agreement do not rely upon any
 statement, representation or promise by the other party or of any
 officer, agent, employee, representative or attorney for the
 other party.
 - 18. The parties to this Agreement agree that all parties in the carefully read this Agreement and understand the contents thereof and that each reference in this Agreement to any party includes successors, assigns, principals, agents and employees thereof.
 - 19. All references to the plural shall include the singular and all references to the singular shall include the plural. All references to gender shall include both the massuline and femining.
 - 20. Each party warrants that the persons signing this greement have the full right and authority to enter into this

and the same of

- agree not to disclose the contents of this executed Agreement.
- 22. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be a duplicate original, but all of which, together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on the date opposite their names.

Dated:__(Fig. 1995)

APPROVED AS TO FORM AND CONTENT

MICHAEL J. FLYNN

Attorney for

Dated: 17) 5/TL

CHURCH OF SCIENTOLOGY OF CALIFORNIA

By: Karleen Prom

SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF LOS ANGELES No. C 420 153 5 GERALD ARMSTRONG, (Severad Action) Cross-Complainant, ORDER DISMISSING ACTION WITH PREJUDICE ORIGINAL FILED CHURCH OF SCIENTOLOGY OF CALIFORNIA, a California Corporation, DEC 1 1 1986 10 Cross-Defendant. COUNTY CLERK 11 12 - Upon consideration of the parties' Stipulation for 13 Dismissal, the "Mutual release of All Claims and Settlement Agreement" and the entire record herein, it is ORDERED AND ADJUDGED: 16 That this action is dismissed with prejudice. 17 That an executed duplicate original of the 18 parties' "Mutual Release of All Claims and Settlement Agreement" filed herein under seal shall be retained by the Clerk of this Court under seal. 22 Dated:

Breckenridge

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U.S. Departmer of Justice

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Washington, D.C. 20530

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Telephone: (202) 633-3527

ASST CO. **ELERK ASST EXEC OFFICER**

Mr. R. Acosta Clerk Superior Court for Los Angeles County 111 North Hill Street Los Angeles, California 90012

> Copies of Documents released by Order in Church of Scientology of California v. Gerald Armstrong, No. C. 420153 (Super. Ct. Cal.)

Dear Mr. Accsta:

By Order issued by Superior Court Judge Paul Breckenridge on or about February 22, 1985, access to documents maintained by your office in the above-referenced action was provided to the Department of Justice for use in other litigation that has now been finally resolved. Accordingly, having been reminded of the existence of the documents by a representative of the Church of Scientology, I am returning the documents we received to you for their disposition or destruction in accordance with whatever orders Judge Breckenridge may have issued with respect to the original documents. A copy of the order authorizing our access to the documents is affixed to the envelope holding the documents. For reference, I am also enclosing a copy of a declaration which I executed advising the Church of Scientology's representative of my handling of this matter.

Thank you for your assistance in this matter. If you have any questions regarding this matter, please do not hesitate to contact me or Ms. Anne Gulyassy at the phone number noted above.

Sincerely,

Dulcob RIJHARD E. GREENLARJ Additions Eranon Director Federal Programs Branch

Civil Division

Enclosures

cc: Kendrick Moxon -Bowles & Moxon 6535 Wilshire Blvd.
Second Floor
Los Angeles, CA 90048

SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF LOS ANGELES

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CHURCH OF SCIENTOLOGY	OF CALIFORNIA, laintiff,	223445 L.C. T.C. BANG
v.	a was gring as a second of the	No. C 420153
GERALD ARMSTRONG,	efendant.	
MARY SUE HUBBARD,		
I	ntervenor.))

DECLARATION OF RICHARD GREENBERG

- 1. I am an Assistant Director in the Federal Programs

 Branch of the Civil Division of the Department of Justice. I
 have held this supervisory position for approximately two years.

 The statements set forth in this declaration are based upon personal knowledge.
- 2. Prior to my promotion to my current position, I was one of the lead attorneys responsible for conducting the defense of the federal agencies named as defendants in Founding Church of Scientology of Washington, et al., v. Director, Federal Bureau of Investigation, et al., C.A. No. 78-0107 (D.D.C., dismissed April 9, 1985), aff'd, 802 F.2d 1448 (D.C. Cir. 1986). A petition for certiorari was subsequently denied by the Supreme Court.
- 3. To assist our defense in the Founding Church
 litigation, the United States petitioned and was granted, after
 substantial litigation, access to six identified decimants
 maintained by the Clerk of the Superior Court for the County of

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Los Angeles which were the subject of Church of Scientology of California v. Gerald Armstrong, No. C 420153. The order granting access was entered on or about February 27, 1985.

- 4. These documents were sent to me by the Clerk of the Superior Court by Purolator Courier. Upon receipt, the documents were examined by Department of Justice counsel assigned to this matter and then immediately stored for later use. No copies of the documents have ever been made. Nor have I or anyone else working on the case made any notes regarding the documents.
 - 5. After examining the documents on the day of receipt, the documents were then placed in storage. More specifically, the documents were placed in a sealed envelope which was prominently marked "DO NOT OPEN," and "THESE DOCUMENTS ARE SUBJECT TO PROTECTIVE ORDER." Attached to the envelope was a copy of the Superior Court's Order granting access to the documents. The envelope was then placed in a second envelope which was also sealed.
 - 6. The double-sealed envelope was then placed in a locked file cabinet. The file cabinet was maintained in a separate storage room which was also locked at all times. The security measures for the documents were comparable to the measures routinely taken for the handling of classified documents.
 - 7. On March 1, 1988, I reviewed a brief filed by the Church of Scientology in the California Court of Appeals which opposed the United States' motion to dismiss the Church's appeal of Judga Brashannidga's Order recognizer access to carrain

documents discussed above. I immediately retrieved the documents at issue, noted that the seals on the envelopes remained unopened, and then sent the documents to the Clerk of the Superior Court of Los Angeles County by Express Mail. A copy of the cover letter sent to the Clerk of the Court is attached.

8. As the foregoing indicates, the United States no longer has possession of the documents that are the subject of Judge Breckenridge's Order, has no copies of the documents and has no notes regarding the contents of the documents.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

RICHARD GREENBERG

Dated: 3/2/88

LOS ANGELES COUNTY CLERK

AND

EXECUTIVE OFFICER OF THE SUPERIOR COURT

111 NORTH HILL STREET
MAILING ADDRESS PO BOX 151
LOS ANGELES. CALIFORNIA 90053

(213) 974-5104

RAUL A. ACOSTA ASSISTANT COUNTY CLERK

ERIC D. WEBBER ASSISTANT EXECUTIVE OFFICER

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September 18, 1985

FRANK S. ZOLIN

COUNTY CLERK EXECUTIVE OFFICER

Mr. Richard Greenberg
Department of Justice
Civil Division
Room 3638
Tenth & Pennsylvania Ave., N.W.
Washington, D.C. 20530

RE: CHURCH OF SCIENTOLOGY OF CALIFORNIA, Vs. ARMSTRONG Case No. C 420153

Dear Mr. Greenberg:

Enclosed are the copies of those certain exhibits authorized released to the United States Department of Justice by Judge Breckenridge's order dated February 25, 1985.

Again, my thanks for your patience and understanding in trying to resolve this complex matter.

Very truly yours,

Raul A. Acosta

Assistant County Clerk

RAA: mv

Enclosures

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Church of Scien	Tolary of	MAR 14, 1988
CRITONIA	Plaintiffs	Firm K 5. 23112
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GERAL ARMSTRO	δ ,	NO. C420 153
And NELANEUL CROSS-A	সাঁথ Defendants	RECEIPT OF EXHIBITS
Pursuant	to Stipulation and Orde	er of Court filed 3-11-88.
Exhibits design	nated (Copics) No.	500-QQQQ , 500-KKKKK
Soo-Lille	500-00000 S00-PPPPP	And 500 - GO QQQ
Neturnal in si	saled emistage from	U.S. DEPT OF JUSTICE
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are now withdra	awn and received by me	14 MARCH, 1988.
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		TIMETHY BOWLES

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LAVENDA VAN SCHAICK - PRODUCTION PLAN



COAL

To successfully handle the LaVonda Van Schaick suit against the Church and thereby remove any threat from this area.

PURPOSE:

To have documents/affidavits/evidences turned over to Legal US in a form so as to be given to an attorney of the Church who can use this data to win the case.

POLICY.

GO 2352 Damages Cases: GPgmO 4206 Standard Multi Bureau Handling For Damages Jases.

. PLAN:

LaVenda Van Schaick in currently attempting to attack the Church with a law suit which is intended to parallel the Julie Christofferson Titchhourne case in Portland. It appears that the actual source of the attack is LaVenda's husband, Paul Van Schaick. Paul and LaVenda Van Schaick have retained attorney Hichael Plynn in order to bring their suit against the Church.

The most recent information received indicates that attorney Flynn may be planning a class action suit against the Church. He has voiced the intention to ruin Scientology and said that he feels that Scientology is evil and out to take over the country.

It is known that LaVonda has a long history of out othics on the 2D. She has attempted suicide a number of times. She has had sex forced upon her by her husband (Paul Van Schaick) after having an operation. She has been beaten while prognant by her stop father. She has been beaten by her

Exhibit "T"

Documentat n is needed by legal to n w the condition she is claiming was caused by Son existed long before she entered the Church. Persons exist who can be located and affidavited on the imformation they know concerning this matter. This data, will result in a win for the Church. This production plan is to be completed within 3 weeks. The data is needed rapidly into the hands of legal for a win. (This plan cancells and replaces BI targets on GPCMO 4352 Lavenda Van Schaick handling pgm.).

1) Data obtained to the actual involvement of McMurray and other ARM forces so a real estimate of the threat can be made.

DCI US

2) Got Lavenda's pc folder FES'd and a mesuage written from the C/S which indicates her current state of case and the correct BPC on her. Lavenda may have her current pc folder so care must be taken to shaura this is an accurate C/S.

Nat Br2 Dir in liaison with :

3) Work out the best way to utilize this and to get the BPC indicated - either by PR or BI

Nat Br2 Dir

4) If adjudicated that PI should handle the indication of SFD to her, get this done in the best possible way (CSW).

Man can implement if approved.

HAT BRE DIR

5) Get GPGMO 4206-R done simultaneously with this plan including:

Not Br2 Dir DI PPO. US

5a) Get all available data (ie. org records) on Lavenda's drug history, medical, paych and suicide history and her own atstements of her history; ensure this is documented in a legally useable form.

Not Br2 Dir

5b) Find out if her 3 abortions were legal.

Nat Hr2 Dir

Sc) Liaise with Legal and go through the time track with them and work out west interior and data exceptly to describ in project out now to get file. (Table and so be legally, and directly obtainable on overt lines, and validly useful and

validly userul and vinoic to optnin), not thin project done.

(N.B. Only pull the strings as laid out in this plan and those worked out by legal. Do not waste resources on useless but apparently "interesting" data.)

Nat Br2 Dir

5d) Get pulled the following strings from 6 NOV 79 analysis.

17. re: previous religious affiliations.

18. Stealing tronury keys and possible blackmail.

19. Taking \$2000 from ex-husband and leaving him.

Nat Br2 Dir

5e) Write a project to get interviews done with all strings pulled on people who know her in various orga looking for data on outside connections, pressures, possible grounds for black-mail of her by others and indications she was being blackmailed. All data on thefts, things going missing in her area. (The plant indicators so far are — on and off org lines for long periods of time, theft of keys, GC/Dission 3P, obsession for reading confidential materials, cheques and bookerders going missing, looking at CW bank accounts, husband being cop in CW area and up and leaving for LV.

Hat Dra Di

6) Get this project done.

Not Dr2 Dir

7) Turn all statements over to Legal and PR and any relevant data as soon as obtained.

Not Br2 Dir

8) Review all data and including PR and Legul duta, and analyse and propose any further handlings in liminon with Legal and PR.

Not Br2 Dir

9) Have LV lines checked for Lavenda's friends and relatives as protect 0) of Roston's (Man) targets below.

Nat Br2 Dir

10) Pire a mission to Berton to do the following targets, (astr: The mission data are need to passe one all these surjecting cas utilize by Bun resources as needed.)

- a) Get prediction lines outablished on Plynn and Lavenda.
- b) Plynn is reportedly in comm with UNS 60 minutes National TV.
 This is by survey the most watched pgm by judges. This needs
 to be verified and the appearance short circuited.
- e) Get surveys done for buttons ro Plynn and l'aul and their sen: and their own and Lavenda's own buttons (por standard handling (and propose charactions.
- d) It is possible Paul intends to push Lavenda to sue, collect damages and then have her put away so he can resume relations with his ex-wife. Lavenda's buttons should be cutablished. An observation could be made to see if anyone is suscriing this to her.
- e) If Paul and Plynn were depowered, the ouit would be dropped, so propose observations with regard to this and when OK'd implement handlings.
- f) A handling pgm written and completed to verify the split between Paul and Lavenda and their atty, Michael Plynn (to include surveys of the atty, buttons, etc).
- g) A handling proposal for Lavenda to verify her molitime of min new numbers, Paul (to include surveys, bustons, etc).
- h) Get observations ordered by US Sec surveyed and CSW'd uplines and handlings implemented on approval.
- 1) Current data collection as to what psychiatrist she may be seeing, data collected upon him and a means worked out to D/A him. ie. if he has written psychiatric articles, how those are really wrong, etc.
- ii) Find out what treatment she is netling.
- j) Investigation completed on atty Hichael Plynn with proposed handling.
- k) Persons involved in financing the suit located and handling proposed.
- 1) Documented damage to Lavenda based on violent acts committed against her (to include information from medical journals, doctors, and psychologists),

) Determine Lameniain response the lameniae of the lameniae of

I de la company

- n) All po. one involved in the suit is sated and handling proposed (including supporters, additional plaintiffs, etc).
- o) Find out who are her friends and relatives that might be friendly to our cause and establish a PR Comm line with them (BI could get the data). We want their assistance in comming with her and showing her that others are taking advantage of her by pushing her into a suit for their own personal gain.

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- p) Propose any further observations and on OK implement handlings.
- q) Keep Legal and PR informed of any relevant data and developments. Ensure all data in turned over to Nat Br2 Dir.
- r)Debrief and turn mission data over to Nat Sec, PR and Legal as applicable.
- b) Find out what disaffected, psycha, ANI, government terminals are involved in the case.

DGI US

· PLAG:

1) Completed survey on Murcen Yan Schinck for L/II buttons.

AGI PLAG

2) Documentation obtained on LaVonda's arrest in St. Petersburg.

AG I PLAG

3) All persons involved with LaVenda interviewed and affidavited for all useable data.

AU I PLAG

DENVERT

 Affidavits/medical statements concerning LaVenda's condition and medical treatment received, while in Colorado.

AG I DVR

NEW YORK:

 Ward Wilbur located and affidavited for useful data in Annalise bareaun.

AG I HY

GIAI

LaVenda's doctors located and statements/affidavits
 obtained concerning her condition and medical treatment.

AG I GLA

LAS VEGAS:

1) LaVenda Van Schaick string pulling program written and all strings pulled. This to include all performs involved with LaVenda interviewed and affidavited for useable data,

AG I LV

US:

1) Uscable data to win the Van Scheink case curred owns to Legal US.

DG I US

2) Handling proposals done as peeded, based on any turn of events or new data.

NE SEC BL US

3) Any other actions necessary to bring about a Legal win done as needed.

NE SEC B1 US

PRODUCTION TARGET!

This production plan is to be completed within three weeks.

PROGRAMS:

Programs to be done as ordered in the Plan.

PROJECTS:

As needed to get program targets done.

IDEAL SCENE

Sufficient data collected and handlings completed resulting in a win on the LaVenda Van Schaick suit.

STATE

As stated in GO 2175

VALUABLE PINAL PRODUCT:

A win on the LaVenda Van Schaick suit resulting in no furthe threat to the Church.

SUPE . Done JULY 2,1985 HONORABLE P G BRECKENHIDGE, JRJUDGE

JURT OF CALIFORNIA, COUNTY OF LO.

LES . R HART

, Deputy Clerk , Reporter

Deputy Sheriff Court Attendant NONE (Parties and counsel checked if present)

C 420 153 GERALD ARMSTRONG,

Counsel for

Cross- Plaintiff

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Cross- Defendant

CHURCH OF SCIENTOLOGY OF CALIFORNIA.

RECEIVED

NATURE OF PROCEEDINGS:

Ansig..... Page 1 of 2 pages MOTION OF CROSS-COMPLAINANT FOR ORDER COMPELLING PRODUCTION OF DOCUMENTS (SUBTITTED MATTER)

In this Discovery matter taken under submission, the Court rules as follows:

As to discovery requests, numbers 2, 3, 6, 7 and 10, crossdefendant Church is ordered to produce as requested, or make available for cross-complainant's inspection within twenty days. As to any matter as to which attorney-client or work product privilege is claimed, cross-defendant must identify and describe each such document for cross-complainant, and submit such documents to the Court for an in-comera inapaction and miliag ma privilege, within the same twenty days.

As to item number one, the cross-defendant is ordered to produce or make available for inspection within twenty days all matter which reflects any statement, or summary of statements of crosscomplainant. This includes verbatim as well as sum and substance type recitals. As to other matters contained in Armstrong's pre-clear folders, cross-defendant is ordered to identify and describe by date, place, and name of interviewer, each such event, and provide same to cross-complainant, and also submit the entire folder to the Court for Its in-camera inspection, all within twenty days.

As to all documents or files which are submitted to the Court for in-camera inspection, the Court will not release any part of such matters to cross-complainant without having given ten days notice to the parties of Its intention so to do.

The Court concludes that inasmuch as cross-complainant's case has progressed beyond the pleading stage, he is entitled to undertake and achieve ligitimate discovery. The first amendment does not preclude such. The order of this Court does not impinge upon the Church's ability to function as such or engage in its midibing probables with bridge antiger. erogo-pondiciones to find one his one words or

are in possession of the cross-defendant, and permiss additional discovery should the Court conclude through an in camera proceeding that other non-privileged relevant matter exists. 3

> MINUTES ENTERED 7-2-35

ore 7-2-25

OURT OF CALIFORNIA, COUNTY OF LC

MONORABLE P G RRECKENRIDGE. JRUDGE

Deputy Sheriff Court Attendant

R HART NONE (Parties and counsel checked if present)

Deputy Clerk Reporter

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C 420 153 ARMSTRONG

Counsel for Plaintiff Cross-

The Counsel for the Counsel fo

Cross- Defendant

SCIENTULOGY

Page 2 of 2 pages

NATURE OF PROCEEDINGS: CONTINUED FROM PAGE 1

Whatever may be the practice of the Church at this time, the Court heard substantial evidence presented at the trial conducted in April and May of 1984 that PC files were not maintained as confidential by the Church during the time when Armstrong was a Scientologist. P.C. files were characterized as "processing files" and the subject of Guardian Order 121669 issued by Mary Sue Hubbard. Consequently, the Court is satisfied that the Priest-Penitent privilege is not applicable and does not preclude discovery by cross-complainant.

TRIAL IS SET FOR SEFTEMBER 29, 1986 at 9 A.M. in Dept. 57. MANUATURY SETTLEMENT CONFERENCE is set SEPTEMBER 15 at 9 A.M. in Dept. 57; however, such shall be addigated at that that the Department other than 57.

Within this framework, the parties are ordered to confer and attempt to agree upon cut off dates for other discovery, as well as schedule of events as per existing Superior Court Trial Setting Conference Policy. If the parties cannot reach an agreement as to all such matters within thirty days, the Court upon ex parte application will set a Trial Setting Conference hearing, and make appropriate orders, together with possible sanctions.

A copy of this minute order is mailed to Mrs. Dragojevic, Mr. Kandolph and Mr. Peterson, by U. S. Mail.

William CADE

MINUTES ENTERED

7-2-35

SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF LOS ANGELES

No. C 420153

MEMORANDUM OF INTENDED DECISION

GERALD ARMSTRONG,
Defendant.

CHURCH OF SCIENTOLOGY OF CALIFORNIA,

MARY SUE HUBBARD,

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Intervenor.

In this matter heretofore taken under submission, the Court announces its intended decision as follows:

As to the tort causes of action, plaintiff, and plaintiff in intervention are to take nothing, and defendant is entitled as Julyment and costs.

As to the equitable actions, the court finds that neither plaintiff has clean hands, and that at least as of this time, are not entitled to the immediate return of any december.

received in evidence or marked for identification, unless specifically ordered sealed, are matters of public record and shall be available for public inspection or use to the same extent that any such exhibit would be available in any other lawsuit. In other words they are to be treated henceforth no differently than similar exhibits in other cases in Superior Court. Furthermore, the "inventory list and description," of materials turned over by Armstrong's attorneys to the court, shall not be considered or deemed to be confidential, private, or under seal.

All other documents or objects presently in the possession of the clerk (not marked herein as court exhibits) shall be retained by the clerk, subject to the same orders as are presently in effect as to sealing and inspection, until such time as trial court proceedings are concluded as to the severed cross complaint. For the purposes of this Judgment, conclusion will occur when any motion for a new trial has been denied, or the time within such a motion must be brought has expired without such a motion being made. At that time, all documents neither received in evidence, nor marked for identification only, shall be released by the clerk to plaintiff's representatives. Notwithstanding this order, the parties may

inni; cco; pgg; QQQ; RCA; and S00-2111.

Exhibits for identification only No. JJJJ; Series 500-DDDD, EEEE, FFFF, GGGG, HHHH, IIII, NNNI-1, 0000, ZZZZ, CCCCC, GGGGG, IIIII, KKKKK, LLLLL, 00000, PPPPP, QCCCC, BBBBBB.

at any time by written stipulation filed with the clerk obtain release of any or all such unused materials.

Defendant and his counsel are free to speak or communicate upon any of Defendant Armstrong's recollections of his life as a Scientologist or the contents of any exhibit received in evidence or marked for identification and not specifically ordered sealed. As to all documents, and other materials held under seal by the clerk, counsel and the defendant shall remain subject to the same injunctions as presently exist, at least until the conclusion of the proceedings on the cross complaint. However, in any other legal proceedings in which defense counsel, or any of them, is of record, such counsel shall have the right to discuss exhibits under seal, or their contents, if such is reasonably necessary and incidental to the proper representation of his or her client.

Further, if any court of competent jurisdiction orders defendant or his attorney to testify concerning the fact of any such exhibit, document, object, or its contents, such testimony shall be given, and no violation of this order will occur.

Likewise, defendant and his counsel may discuss the contents of any documents under seal or of any matters as to which this court has found to be privileged as between the parties hereto, with any duly constituted Governmental Law Enforcement Agency or submit any exhibits or declarations thereto concerning such

court.

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This court will retain jurisdiction to enforce, modify, alter, or terminate any injunction included within the Judgment.

Counsel for defendant is ordered to prepare, serve, and file a Judgment on the Complaint and Complaint in Intervention, and Statement of Decision if timely and properly requested, consistent with the court's intended decision.

Discussion

The court has found the facts essentially as set forth in defendant's trial brief, which as modified, is attached as an appendix to this memorandum. In addition the court finds that while working for L.R. Hubbard (hereinafter referred to as LRH), the defendant also had an informal employer-employee relationship with plaintiff Church, but had permission and authority from plaintiffs and LRH to provide Omar Garrison with every document or object that was made available to Mr. Garrison, and further, had permission from Omar Garrison to take and deliver to his attorneys the documents and materials which were subsequently delivered to them and thenceforth into the custody of the County Clerk.

Plaintiff Church has made out a prima facie case of conversion (as bailee of the materials), breach of fiduciary duty, and broach of confidential materials to its than another and provided confidential materials to its than employee for certain specific purposes, which the employee later used for other purposes to plaintiff's detriment). Plaintiff Mary Jane

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and invasion of privacy (misuse by a person of private matters entrusted to him for certain specific purposes only).

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defendant has asserted various theories of defense, the basic thrust of his testimony is that he did what he did, because he believed that his life, physical and mental well being, as well as that of his wife were threatened because the organization was aware of what he knew about the life of LRH, the secret machinations and financial activities of the Church, and his dedication to the truth. He believed that the only way he could defend himself, physically as well as from harassing lawsuits, was to take from Omar Garrison those materials which would support and corroborate everything that he had been saying within the Church about LRH and the Church, or refute the allegations made against him in the April 22 Suppressive Person Declare. He believed that the only way he could be sure that the documents would remain secure for his future use was to send them to his attorneys, and that to protect himself, he had to go public so as to minimize the risk that LRH, the Church, or any of their agents would do him physical harm.

This conduct if reasonably believed in by defendant and engaged in by him in good faith, finds support as a defense to the plaintiff's charges in the Restatements of Agency, Torts, and case law.

Restatement of Agency, Second, provides:

information confidentially acquired by him in the course.

of his agency in the protection of a superior interest of

All: An agunt 15 privilages

"Section 418: An agent is privileged to protect interests of his own which are superior to those of the principal, even though he does so at the expense of the principal's interest or in disobedience to his orders."

Restatement of torts, Second, section 271:

*One is privileged to commit an act which would otherwise be a trespass to or a conversion of a chattel in the possession of another, for the purpose of defending himself or a third person against the other, under the same conditions which would afford a privilege to inflict harmful or offensive contact upon the other for the same purpose."

The Restatement of Torts, Second, section 652a, as well as case law, make it clear that not all invasions of privacy are unlawful or tortious. It is only when the invasion is unreasonable that it becomes actionable. Hence, the trier of fact must engage in a balancing test, weighing the nature and extent of the invasion, as against the purported justification therefore to determine whether in a given case, the particular invasion or intrusion was unreasonable.

In addition the defendant has asserted as a defense the principal involved in the case of Williq v. Gold, 75

Cal.App.2d, 809, 814, which holds that an agent has a right or privilege to disclose his principal's dishenest acts to the same acceptability acceptable than

Plaintiff Church has asserted and obviously has cemtain rights arising out of the First Amendment. Thus, the court

merits, accuracy, or truthfulness of Scientology or any of its precepts as a religion. First Amendment rights, however, cannot be utilized by the Church or its members, as a sword to preclude the defendant, whom the Church is suing, from defending himself. Therefore, the actual practices of the Church or its members, as it relates to the reasonableness of the defendant's conduct and his state of mind are relevant, admissible, and have been considered by the court.

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As indicated by its factual findings, the court finds the testimony of Gerald and Jocelyn Armstrong, Laurel Sullivan, Nancy Dincalcis, Edward Walters, Omar Garrison, Kima Douglas, and Howard Schomer to be credible, extremely paroussive, and the defense of privilege or justification established and corroborated by this evidence. Obviously, there are some discrepancies or variations in recollections, but these are the normal problems which arise from lapse of time, or from different people viewing matters or events from different perspectives. In all critical and important matters, their testimony was precise, accurate, and rang true. The picture painted by these former dedicated Scientologists, all of whom were intimately involved with LRH, or Mary Jane Hubbard, or of the Scientology Organization, is on the one hand pathetic, and on the other, outrageous. Each of these persons literally gave years of his or her respective life in support of a

frustration which is incapable of description. Each has broken with the movement for a variety of reasons, but at the same

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in its possession his or her most inner thoughts and confessions, all recorded in "pre-clear (P.C.) folders" or other security files of the organization, and that the Church or its minions is fully capable of intimidation or other physical or psychological abuse if it suits their ends. The record is replete with evidence of such abuse.

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In 1970 a police agency of the French Government conducted an investigation into Scientology and concluded, "this sect, under the pretext of 'freeing humans' is nothing in reality but a vast enterprise to extract the maximum amount of money from its adepts by (use of) pseudo-scientific theories, by (use of) 'auditions' and 'stage sections' (lin. to preate a theatrical scene') pushed to extremes (a machine to detect lies, its own particular phraseology . .), to estrange adepts from their families and to exercise a kind of blackmail against persons who do not wish to continue with this sect." From the evidence presented to this court in 1984, at the very least, similar conclusions can be drawn. In addition to violating and abusing its own members civil rights, the organization over the years with its "Fair Game" doctrine has harassed and abused those persons not in the Church whom it perceives as enemies. The organization clearly is schizophrenic and paranoid, and this bizarre combination seems to be a reflection of its founder TRH. The avidence protected a cur who has been virtually a planelogical lias when it comes to his history,

background, and achievements. The writings and documents in evidence additionally reflect his egoism, greed, avarice, lustage for power, and vindictiveness and aggressiveness against persons perceived by him to be disloyal or hostile. At the same time it appears that he is charismatic and highly capable of motivating, organizing, controlling, manipulating, and inspiring his adherents. He has been referred to during the trial as a "genius," a "revered person," a man who was "viewed by his followers in awe." Obviously, he is and has been a very complex person, and that complexity is further reflected in his alter ego, the Church of Scientology. Notwithstanding protestations to the contrary, this court is satisfied that LPH runs the Church in all ways through the Sea Organization, his role of Commodore, and the Commodore's Messengers. He has, of course, chosen to go into "seclusion," but he maintains contact and control through the top messengers. Seclusion has its light and dark side too. It adds to his mystique, and yet shields him from accountability and subpoena or service of summons.

LRH's wife, Mary Sue Hubbard is also a plaintiff herein.

On the one hand she certainly appeared to be a pathetic individual. She was forced from her post as Controller, convicted and imprisoned as a felon, and deserted by her husband. On the other hand her credibility leaves much to be

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^{3.} See Exhibit K: Flag Order 3729 - 15 September 1978

or knowing any evil. Yet she was the head of the Guardian Office for years and among other things, authored the infamous order "GO 121669"4 which directed culling of supposedly confidential P.C. files/folders for purposes of internal security. In her testimony she expressed the feeling that defendant by delivering the documents, writings, letters to his attorneys, subjected her to mental rape. The evidence is clear and the court finds that defendant and Omar Garrison had permission to utilize these documents for the purpose of Garrison's proposed biography. The only other persons who were shown any of the documents were defendant's attorneys, the Douglasses, the Dincalcis, and apparently some documents specifically affecting LRH's son "Nibs," were shown to "Nibs." The Douglasses and Dincaldises were disaffected Scientologists who had a concern for their own safety and mental security, and were much in the same situation as defendant. They had not been declared as suppressive, but Scientology had their P.C. folders, as well as other confessions, and they were extremely apprehensive. They did not see very many of the documents, and it is not entirely clear which they saw. At any rate Mary Sue Hubbard did not appear to be so much distressed by this fact, as by the fact that Armstrong had given the documents to Michael Flynn, whom the Church considered its foremost

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lawyer-enemy. 5 However, just as the plaintiffs have First Amendment rights, the defendant has a Constitutional right to an attorney of his own choosing. In legal contemplation the fact that defendant selected Mr. Flynn rather than some other lawyer cannot by itself be tortious. In determining whether the defendant unreasonably invaded Mrs. Mubbard's privacy, the court is satisfied the invasion was slight, and the reasons and justification for defendant's conduct manifest. Defendant was told by Scientology to get an attorney. He was declared an enemy by the Church. He believed, reasonably, that he was subject to "fair game." The only way he could defend himself, his integrity, and his wife was to take that which was available to him and place it in a safe harbor, to wit, his lawyer's custody. He may have engaged in overkill, in the sense that he took voluminous materials, some of which appear . only marginally relevant to his defense. But he was not a lawyer and cannot be held to that precise standard of judgment. Further, at the time that he was accumulating the material, he was terrified and undergoing severe emotional turmoil. court is satisfied that he did not unreasonably intrude upon Mrs. Hubbard's privacy under the circumstances by in effect simply making his knowledge that of his attorneys. It is, of course, rather ironic that the person who authorized G.O. order 121669 should complain about an invasion of privacy.

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^{5. *}No, I think my emotional distress and upset is the fact that someone took papers and materials without my authorization and then gave them to your Mr. Flynn.**
Reporter's Transcript, p. 1006.

practice of culling supposedly confidental "P.C. folders or files" to obtain information for purposes of intimidation and/or harassment is repugnant and outrageous. The Guardian's Office, which plaintiff headed, was no respector of anyone's civil rights, particularly that of privacy. Plaintiff Mary Sue Hubbard's cause of action for conversion must fail for the same reason as plaintiff Church. The documents were all together in Omar Garrison's possession. There was no rational way the defendant could make any distinction.

Insofar as the return of documents is concerned, matters which are still under seal may have evidentiary value in the trial of the cross complaint or in other third party litigation. By the time that proceedings on the cross complaint are concluded, the court's present feeling is that those documents or objects not used by that time should be returned to plaintiff. However, the court will reserve jurisdiction to reconsider that should circumstances warrant. Dated: June 20, 1984

PAUL G. BRECKENRIDGE, JR.
Judge of the Superior Court

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Appendix

Defendant Armstrong was involved with Scientology from 1969 through 1981, a period spanning 12 years. During that time he was a dedicated and devoted member who revered the founder, L. Ron Hubbard. There was little that Defendant. Armstrong would not do for Hubbard or the Organization. He gave up formal education, one-third of his life, money and anything he could give in order to further the goals of Scientology, goals he believed were based upon the truth, honesty, integrity of Hubbard and the Organization.

From 1971 through 1981, Defendant Armstrong was a member of the Sea Organization, a group of highly strained scientologists who were considered the upper schelon of the Scientology organization. During those years he was placed in various locations, but it was never made clear to him exactly which Scientology corporation he was working for. Defendant Armstrong understood that, ultimately, he was working for L. Ron Hubbard, who controlled all Scientology finances, personnel, and operations while Defendant was in the Sea Organization.

Beginning in 1979 Defendant Armstrong resided at Gilman Hot Springs, California, in Hubbard's "Household Unit." The Household Unit took care of the personal wishes and needs of Hubbard at many lavals. Defendance Accessory assists as and L. Ash Husbard Renovations In-Charge and was responsible for renovations, decoration, and maintenance of Hubbard's home and office at Gilman Hot Springs.

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In January of 1980 there was an announcement of a possible raid to be made by the FBI or other law enforcement agencies of the property. Everyone on the property was required by Hubbard's representatives, the Commodore's Messengers, to go through all documents located on the property and "vet" or destroy anything which showed that Hubbard controlled Scientology organizations, retained financial control, or was issuing orders to people at Gilman Hot Springs.

A commercial paper shredder was rented and operated day and night for two weeks to destroy hundreds of thousands of pages of documents.

During the period of shredding, Brenda Black, the individual responsible for storage of Hubbard's personal belongings at Gilman Not Springs, came to Defendant Armstrong with a box of documents and asked whether they were to be shredded. Defendant Armstrong reviewed the documents and found that they consisted of a wide variety of documents including Hubbard's personal papers, diaries, and other writings from a time before he started Dianetics in 1950, together with documents belonging to third persons which had apparently been stolen by Hubbard or his agents. Defendant Armstrong took the documents from Ms. Black and placed them in a safe location on the property. He then searched for and located another twenty or more boxes containing similar materials, which were poorly

On January 8, 1980, Defendant Armstrong wrote a petition to Hubbard requesting his permission to perform the research

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that Defendant Armstrong had located the subject materials and lists of a number of activities he wished to perform in connection with the biography research.

Hubbard approved the petition, and Defendant Armstrong
became the L. Ron Hubbard Personal Relations Officer Researcher
(PPRO Res). Defendant claims that this petition and its
approval forms the basis for a contract between Defendant and
Hubbard. Defendant Armstrong's supervisor was then Laurel
Sullivan, L. Ron Hubbard's Personal Public Relations Officer.

During the first part of 1980, Defendant Armstrong moved all of the L. Ron Hubbard Archives materials he had located at Gilman Hot Springs to an office in the Church of Scientology Cedars Complex in Los Angeles. These materials comprised approximately six file cabinets. Defendant Armstrong had located himself in the Cedars Complex, because he was also involved in "Mission Corporate Category Sort-Out," a mission to work out legal strategy. Defendant Armstrong was involved with this mission until June of 1980.

It was also during this early part of 1980 that Hubbard left the location in Gilman Hot Springs, California, and went into hiding. Although Defendant Armstrong was advised by Laurel Sullivan that no one could communicate with Hubbard, Defendant Armstrong knew that the ability for communication existed, because he had forwarded materials to Yubbard at his

Because of this purported inability to communicate with Hubbard, Defendant Armstrong's request to purchase biographical

to the Commodore's Messenger Organization, the personal representatives of Hubbard.

In June of 1980 Defendant Armstrong became involved in the selection of a writer for the Hubbard biography. Defendant Armstrong learned that Hubbard had approved of a biography proposal prepared by Omar Garrison, a writer who was not a member of Scientology. Defendant Armstrong had meetings with Mr. Garrison regarding the writing of the biography and what documentation and assistance would be made available to him. As understood by Mr. Garrison, Defendant Armstrong represented Hubbard in these discussions.

Mr. Garrison was advised that the research material he would have at his disposal were Hubbard's personal archives.

Mr. Garrison would only undertake a writing of the biography if the materials provided to him were from Hubbard's personal archives, and only if his manuscript was subject to the approval of Hubbard himself.

In October of 1980 Mr. Garrison came to Los Angeles and was toured through the Hubbard archives materials that

Defendant Armstrong had assembled up to that time. This was an important "selling point" in obtaining Mr. Garrison's agreement to write the biography. On October 30, 1980, an agreement was entered into between Ralston-Pilot, ncv. F/S/O Omar V.

the writing of a biography of Hubbard.

Paragraph 10B of the agreement states that:

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*Publisher shall use its best affort

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research assistant, office supplies and any needed archival and interview materials in connection with the writing of the Work.

The "research assistant" provided to Mr. Garrison was

Defendant Armstrong.

During 1980 Defendant Armstrong exchanged correspondence with Intervenor regarding the biography project. Following his approval by Hubbard as biography researcher, Defendant Armstrong wrote to Intervenor on February 5, 1980, advising her of the scope of the project. In the letter Defendant stated that he had found documents which included Hubbard's diary from his Orient trip, poems, essays from his youth, and several personal letters, as well as other things.

By letter of February 11, 1980, Intervenor responded to Defendant, acknowledging that he would be carrying out the duties of Biography Researcher.

On October 14, 1980, Defendant Armstrong again wrote to Intervenor, updating her on "Archives materials" and proposing certain quidelines for the handling of those materials.

It was Intervenor who, in early 1981, ordered certain biographical materials from "Controller Archives" to be delivered to Defendant Armstrong. These materials consisted of several letters written by Hubbard in the 1920's and 1930's, Hubbard's Boy Scout books and materials, several old Hubbard

several other items.

Defendant Armstrong received these materials upon the

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to her in which Defendant stated, at page 7, that there were materials in the "Controller Archives" that would be helpful to him in the biography research.

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After these materials were delivered to Defendant
Armstrong, Intervenor was removed from her Scientology position
of Controller in 1981, presumably because of her conviction for
the felony of obstruction of justice in connection with the
theft of Scientology documents from various government offices
and agencies in Washington, D.C.

During the time Defendant Armstrong worked on the biography project and acted as Hubbard Archivist, there was never any mention that he was not to be dealing with Hubbard's personal documents or that the delivery of those documents to Mr. Garrison was not authorized.

For the first year or more of the Hubbard biography and archive project, funding came from Hubbard's personal staff unit at Gilman Hot Springs, California. In early 1981, however, Defendant Armstrong's supervisor, Laurel Sullivan, ordered him to request that funding come from what was known as SEA Org Reserves. Approval for this change in funding came from the SEA Org Reserves Chief and Watch Dog Committee, the top Commodores Messenger Organization unit, who were Hubbard's personal representatives.

From Movember of 1990 through 1981, Defendant Asmessan

into logical categories, copying them and arranging the copies of the Archives materials into bound volumes. Defendant

Mr. Garrison - one for Mr. Garrison and the other to remain in Hubbard Archives for reference or recopying. Defendant Armstrong created approximately 400 binders of documents. The vast majority of the documents for Mr. Garrison came from Hubbard's personal Archives, of which Defendant Armstrong was in charge. Materials which came from other Archives, such as the Controller Archives, were provided to Defendant Armstrong

by Scientology staff members who had these documents in their

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care.

It was not until late 1981 that Plaintiff was to provide person to assist on the biography project by providing Mr. Garrison with "Guardian Office' materials, otherwise described as tachnical materials relating to the operation of Scientology. The individual appointed for this task was Yaug Young. Controller Archives and Guardian Office Archives had reconnection to the Hubbard Archives, which Defendant Armstrong created and maintained as Hubbard's personal materials.

In addition to the assemblage of Hubbard's Archives,
Defendant Armstrong worked continually on researching and
assembling materials concerning Hubbard by interviewing dozens
of individuals, including Hubbard's living aunt, uncle, and
four cousins. Defendant Armstrong did a geneology study of
Hubbard's family and collected, assembled, and read hundreds c
thousands of pages of documentation in Hubbard's Archives.

Massard's homesty and integrity and sality and trat the representations he had made about himself in various, publications were truthful. Defendant amounts was

During 1990 Dufiniant News of

Hubbard and was convinced that any information which he discovered to be unflattering of Hubbard or contradictory to what Hubbard has said about himself, was a lie being spread by Hubbard's enemies. Even when Defendant Armstrong located documents in Hubbard's Archives which indicated that representations made by Hubbard and the Organization were untrue, Defendant Armstrong would find some means to "explain away" the contradictory information.

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Slowly, however, throughout 1981, Defendant Armstrong began to see that Hubbard and the Organization had continuously lied about Hubbard's past, his credentials, and his accomplishments. Defendant Armstrong believed, in good faith, that the only means by which Scientology could succeed in what Defendant Armstrong believed was its goal of creating an ethical environment on earth, and the only way Hubbard could be free of his critics, would be for Hubbard and the Organization to discontinue the lies about Hubbard's past, his credentials, and accomplishments. Defendant Armstrong resisted any public relations piece or announcement about Hubbard which the L. Ron Hubbard Public Relations Bureau proposed for publication which was not factual. Defendant Armstrong attempted to change and make accurate the various "about the author" sections in Scientology books, and further, Defendant rewrote or critiqued several of these and other publications

Defendant Armstrong believed and desired that the Scientology
Organization and its leader discontinue the perpetration of the

massive fraud upon the innocent followers of Scientology, and on the public at large.

Because of Defendant Armstrong's actions, in late November of 1981, Defendant was requested to come to Gilman Hot Springs by Commodore Messenger Organization Executive, Cirrus Slevin. Defendant Armstrong was ordered to undergo a "security check," which involved Defendant Armstrong's interrogation while connected to a crude Scientology lie detector machine called ar E-meter.

The Organization wished to determine what materials Defendant Armstrong had provided to Omar Garrison. Defendant Armstrong was struck by the realization that the Organization would not work with him to correct the numerous fraudulent representations made to followers of Scientology and the public about L. Ron Hubbard and the Organization itself. Defendant Armstrong, who, for twelve years of his life, had placed his complete and full trust in Mr. and Mrs. Hubbard and the Scientology Organization, saw that his trust had no meaning and that the massive frauds perpetrated about Hubbard's past, credentials, and accomplishments would continue to be spread.

Less than three weeks before Defendant Armstrong left Scientology, he wrote a letter to Cirrus Slevin on November 25, 1981, in which it is clear that his intentions in airing the inaccuracies, falsehoods, and frauds regarding Hubbard were

> "If we present inaccuracies, hyperbole or downright lies as fact or truth, it

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disproved the man will look, to outsiders

at least, like a charlatan. This is what

I'm trying to prevent and what I've been

working on the past year and a half.

and that is why I said to Norman that it is up to us to insure that everything which goes out about LRH is one hundred percent accurate. That is not to say that opinions can't be voiced, they can. And they can contain all the hype you want. But they should not be construed as facts. And anything stated as a fact should be documentable.

"we are in a period when

'investigative reporting' is popular, and
when there is relatively easy access to
documentation on a person. We can't delude
ourselves I believe, if we want to gain
public acceptance and cause some betterment
in society, that we can get away with
statements, the validity of which we don't
know.

*The real disservice to LRH, and the

that everything he's ever written or said is one hundred percent accurate and publish

non-technical writings. This only leads, should any of his statements turn out to be inaccurate, to a make-wrong of him, and consequently his technology.

That's what I'm trying to remedy and prevent.

*To say that LRH is not capable of hype, errors or lies is certanly 'sic; not granting him much of a beingness. To continue on with the line that he has never erred nor lied is counterproductive. It is an unreal attitude and too far removed from both the reality and people in general that it would widen public unacceptance.

falsities must be corrected, and why we must verify our facts and present them in a favorable light.

The remainder of the letter contains examples of facts about Hubbard which Defendant Armstrong found to be wholly

Hubbards and the Scientology Organization.

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In December of 1981 Defendant Armstrong made the decision

his commitment to Hubbard and Mr. Garrison in the biography project, he copied a large quantity of documents, which Mr. Garrison had requested or which would be useful to him for the biography. Defendant Armstrong delivered all of this material to Mr. Garrison the date he left the SEA Organization and kept nothing in his possession.

Thereafter, Defendant Armstrong maintained friendly relations with Hubbard's representatives by returning to the Archives office and discussing the various categories of materials. In fact on February 24, 1982, Defendant Armstrong wrote to Vaughn Young, regarding certain materials Mr. Young was unable to locate for Omar Garrison.

After this letter was written, Defendant Armstrong went to the Archives office and located pertain materials Mr. Carrison had wanted which Hubbard representatives claimed they could not locate.

At the time Defendant Armstrong left the SEA Organization, he was disappointed with Scientology and Hubbard, and also felt deceived by them. However, Defendant Armstrong felt he had no enemies and felt no ill will toward anyone in the Organization or Hubbard, but still believed that a truthful biography should be written.

After leaving the SEA Organization, Defendant ARmstrong continued to assist Mr. Garrison with the Hubbard biography project. In the spring of 1999, Defendant Armstrong darrison's reguest, cranscribes some of his interview capes, copied some of the documentation he had, and assembled several more binders of copied materials. Defendant Armstrong also not copied materials.

up shelves for Mr. Garrison for all the biography research materials, worked on a cross-reference systems, and continued to do library research for the biography.

On February 18, 1982, the Church of Scientology
International issued a "Suppressive Person Declare Gerry
Armstrong," which is an official Scientology document issued
against individuals who are considered as enemies of the
Organization. Said Suppressive Person Declare charged that
Defendant Armstrong had taken an unauthorized leave and that he
was spreading destructive rumors about Senior Scientologists.

Defendant Armstrong was unaware of said Suppressive Person Declare until April of 1982. At that time a revised Declare was issued on April 22, 1982. Said Declare charged Defendant Armstrong with 18 different "Crimes and High Crimes and Suppressive Acts Against the Church." The charges included theft, juggling accounts, obtaining loans on money under false pretenses, promulgating false information about the Church, its founder, and members, and other untruthful allegations designed to make Defendant Armstrong an appropriate subject of the Scientology "Fair Game Doctrine." Said Doctrine allows any suppressive person to be "tricked, cheated, lied to, sued, or destroyed."

The second declare was issued shortly after Defendant

Armstrong attempted to sell photographs of his wedding on board

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belonging to some of his friends, which also included photos of L.R. Hubbard while in seclusion. Although Dafandant Armstrong

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never received payment or return of his friend's photographs.

When he became aware that the Church had these photographs, he went to the Organization to request their return. A loud and boisterous argument ensued, and he eventually was told to leave the premises and get an attorney.

From his extensive knowledge of the covert and intelligence operations carried out by the Church of Scientology of California against its enemies (suppressive persons), Defendant Armstrong became terrified and feared that his life and the life of his wife were in danger, and he also feared he would be the target of costly and harassing lawsuits. In addition, Mr. Garrison became afraid for the security of the documents and believed that the intelligence network of the Church of Scientology would break and enser his home to retrieve them. Thus, Defendant Armstrong made copies of certain documents for Mr. Garrison and maintained them in a separate location.

It was thereafter, in the summer of 1982, that Defendant Armstrong asked Mr. Garrison for copies of documents to use in his defense and sent the documents to his attorneys, Michael Flynn and Contos & Bunch.

After the within suit was filed on August 2, 1982,
Defendant Armstrong was the subject of harassment, including
being followed and surveilled by individuals who admitted

individuals; being struck bodily by a car driven by one of these individuals; having two attempts made by said individuals

automobile accident; having said individuals come onto Defendant Armstrong's property, spy in his windows, create disturbances, and upset his neighbors. During trial when it appeared that Howard Schomer (a former Scientologist) might be called as a defense witness, the Church engaged in a somewhat sophisticated effort to suppress his testimony. It is not clear how the Church became aware of defense intentions to call Mr. Schomer as a witness, but it is abundantly clear they sought to entice him back into the fold and prevent his testimony.

GERRY ARMSTRONG PROJECT

17 Feb 82

Project information: Gerry Armstrong is a blown SO Hamber who had access to a lot of sensitive information; he is now disaffected, from what we can see. He is hiding out apparently. He knows the GO has been looking into him, so he has been laying low to avoid this. So we/don't know where he is currently and he is expecting us to approach him on a covert line. So this presents the trickiest of problems. It would undoubtedly antagonize him further if any of our investigation efforts became known to him.

Project purpose: To obtain a means of predicting Armstrong's activity in such a way that there is no possibility of backflash.

Step 1) The first thing we need to do is to locate him. Those few people who know where he is probably are on the look out for GO inquiries. However, he is going to have to get a job soon to earn a living, by law he must notify the DMV when he moves - he might do this, and there are other things like that which can be checked and which may give us his location once he starts operating in the wog world again. These can be checked once we get his birthday and social security number. These should be available from his personnel records and his treasury records. So the steps would be:

[27] Telex Flag and SU to locate his personnel file and to get his ss number from payroll records.

Use this data to check DMV, the post office, or any other source to locate him in a way that he would not be aware of it.

Step (2) Go through his files and folders to extract the names of people who knew him and who are still well connected up and completely trustworthy. Interview these people to find out who Garry's close friends were and to see it he had may relatives and this area (we could then follow up to see if he might be staying with them).

- Step 3) Determine which locations would be likely places that Gerry might be staying, assuming that he would be staying with friends or relatives. Check these out, either by physical surveillance or other means, to determine if he's there.
- Step 4) Note that Gerry had tried to get OVG to hire him as a researcher after he blew. It could be that he gave a PT address to OVG. This should be checked out by going through the proper people who have a line to OVG to see if this can be done or if he has it.
- Step 5) Conditional: If GA has not been located at this point by doing the above steps, then review what has been done and work out further actions that could be done to locate him.
- Step 6) Once he is located, determine where he is currently working. This may entail following him to see where he works.
- Step 7) Once it is established where he works, see what opportunities might exist there for setting up an inquiry line from an apparent "wog" angle. He might not be expecting that at all.
- Step 3) Review his files for people-who had a good commline with him and who are no longer on staff, and who would be trustworthy.
- Step 9) Once the list of candidates has been selected from step 8 above, do a complete check on these people (discreetly) to see whit their suprems tribut, dimensor, assisted, above to a contribution of the contribution of the
- Step 10) Using standard and discrett recrument term, incarvies the trustworthy candidates to see if they can be used as a resource.

Step 11) Arrange a suitable cover story and other standard procedures, such as a plausable reason for the resource to be contacting GA, etc.

Step 12) Initiate the commline and procede from there, on that

Called the Control of the

Step 13) Have a PT, investigation done on Scott Brown in Phoenix, Arizona. He was running a squirrel group there and may have some sort of group going that could be entered by a public person. This needs to be checked out either via LV GO, or simply by sending a GLA resource to Phoenix for a day or two.

Step 14) Conditional: If it looks like an entrance point can be arranged through Scott Brown in Phoenix, this will have to be separately targetted out and persued. Perhaps we could get someone connected up to him in Phoenix who then moves to LA and connects up with the Brown family or Gerry here. That might be sufficiently subtle; GA might not suspect someone from Phoenix as he knows we don't have a GO there.

Step 15) Persue the potential existing line that might be available to us via a trusted GAS who is a writer and who is respected by Gerry. This would require some reach from Gerry, though, as he might be suspicious if this GAS made a big reach for him.

Step 16) If the product has not been achieved at this point, review the steps taken so far and debug or replan as needed.

End.

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HUBBARD COMMUNICATIONS OFFICE 217a Kensington High Street, London W.8

RUSH

July 22nd, 1956

To U.S. ONLY Julia Lewis, Dick Steves, L. Ron Hubbard, Jnr.

To England ONLY Association Secretary (Jack Parkhouse)
Director of Processing (Ann Walker)
Director of Training (Dennis Stephens)

Staff Auditors, Instructors and Auditors close to Operation only.

TECHNICAL BULLETIN OF 22 JULY 1956

I feel the urge to communicate to you the best news since 1950.

I have whipped the problems of the whole track and memory of the past and can resolve the worst cases we have ever had. That is a huge statement but I have solved and can untangle in an intensive the problems of the vacuum and havingness plus memory and health and have just done so. Hence the exuberance.

Also, other auditors can solve these in a case as well. NIBS has just cracked two six-year-standing Black Fives using some of this material and Herbie Parkhouse has had considerable luck with solids.

We are now capable of solving Book One style cases to the extreme level of clear.

No wild burst of enthusiasm is here intended. I have to pur the finishing touches on a lot of things and the process is still slow-25 to 75 hours. But I've now done it and seen it done to worse cases than any you've had. And that's fact!

Okay. It's not simple. It requires a minute understanding of Book One. It would take me 50 pages to explain all I've lately found about vacuums. You haven't seen the last of me or of study, but you will have seen the last of unsuccessful cases providing only that we have time and environment in which to audit them.

We can make homo novis. (AND give a grin to those who kept standing around bleating, "Where are the clears?")

We know more about life now than life does—for a fact, since it was reaching, we can communicate about the reactions.

The process is concerned with "making it solid" combined with effects. It isn't easy. It is wonderfully complex and delicate. But it has been done. And it is being done.

Our cases gained but sometimes slumped. Why? Because an electronic vacuum restimulated on the track after sessions, and robbed the case's havingness.

A vacuum isn't a hole. It's a collapsed bank. Every lifetime bank is collapsed into a vacuum.

The formula is-

- Run pc on start-change and stop for hours until he is under auditor's control, in session and (often) exteriorized.
- Then run him with commands "What are you looking at?" "Good." "Make it solid."

He will eventually hit a vacuum. (He'd hit it faster on "Recall a can't have" but it's too fast.) Here's the tangle. The vacuum is a super-cold mass or an electric shock. This "drank up" bank electronically (brainwashed him). The energy drunk turned black, Hence black cases. (Does not apply only to black cases however.)

Run, interspersed with solids and "objective can't have" on the room, "Tell
me an effect object (that drank bank) could not have on you," and "Tell me
an effect you could have on object." Object may be electrodes or supercold
plate or even a supercold glass.

WILLIAM TO

Caution, handle one vacuum at a time. These vacuums go back for 76 Trillion years. They were the original brainwash thetans did to one another, then psychiatrists (on the whole track) did expertly (modern psychiatrists are punks, modern shock too feeble to do more than restimulate old vacuums).

Take the vacuum that comes up running solids, or even "Recall a can't have", whatever it is and solve it as above.

This is delicate auditing. If you restimulate a vacuum too hard, the whole track groups on it.

groups on it.

Read Book One. Add vacuums instead of word groupers, use above and you'll probably get through to success. Nibs did and I had given him less than you have here. Of course, he's one of the best auditors in the business, so go easy. And Herbic Parkhouse is no slouch.

CAUTIONARY

This is true-

- 1. We have created the permanent stable clear.
- In creating him we have a homo novis in the full sense, not just an Operating Thetan.
- 3. We now know more than life. An oddity indeed!
- We now know more about psychiatry than psychiatrists. We can brainwash
 faster than the Russians (20 secs to total amnesia against three years to
 slightly confused loyalty).
- We can undo whatever psychiatrists do, even the tougher grade from away back. We can therefore undo a brainwash in 25 to 75 hours.
- 6. We can create something better than that outlined and promised in Book

BUT

- We need to know more and be more accurate than ever before about the time track and auditing. I have not given a thousandth of what I know about this.
- 2. We have a new game but also new responsibilities amongst men.
- This data in the wrong hands before we are fully prepared could raise the Devil literally.
- 4. Because we know more than the Insanity Gang, we're not fighting them.
- Because we can undo what we for we must retain a fine moral serve, to ugher by far than any of the past
- We can create better than in Book One now only if we know Book One and know our full subject.

AND WE DO NOT YET KNOW ALL THE SAFETY PRECAUTION TO BE USED.

I will be giving this data in full at the Games Congress, Shoreham Hotel, WASHINGTON, D.C., August 31st, to September 3rd, 1956.

The exact regimen of this will be SLP 8 and will include the total picture of separating valences from bodies (which must still be done by the auditor, a formula I now have).

I have given you this data in this bulletin at this time because now I know I know and I want you to share in seeing the surge of vision which will be our future.

L. RON HUBBARD

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Charles and the same

P.S. (Actually, contrary to rumor, it hasn't all been done before. If it had been, the guy who is saying it has would be clear!)

The The

Technical Bulletins

Dianetics and Scientology

by

L. Ron Hubbard

FOUNDER OF DIANETICS AND SCIENTOLOGY

Volume

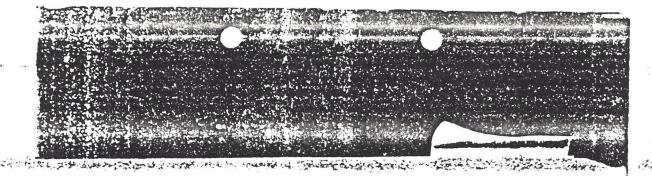
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1954-1956

Scientology Publications

Copenhagen

Los Angeles



IN ALL SUCH CASES OF ARREST FOR THE PRACTICE OF SCIENTOLOGY. THE HASI WILL SEND A REPRESENTATIVE AT ONCE, BUT DO NOT WAIT FOR HIS ARRIVAL TO PLACE THIS SUIT. THE SUIT MUST ALREADY HAVE BEEN FILED WHEN THE HASI ATTORNEY ARRIVES.

In other words, do not, at any moment leave this act unpunished, for, if you do you are harming all other Scientologists in the area. When you are attacked it is your responsibility then to secure from further attack not only yourself but all those who work with you. Cause blue flame to dance on the courthouse roof until everybody has apologized profusely for having dared to become so adventurous as to arrest a Scientologist who, as a minister of the church, was going about his regular duties. As far as the advices of attorneys go that you should not sue, that you should not attack, be aware of the fact that I, myself, in Wichita, Kansas, had the rather interesting experience of discovering that my attorney, employed by me and paid by me, had been for some three months in the employ of the people who were attacking me, and that this attorney had collected some insignificant sum of money after I hired him, by going over to the enemy and acting upon their advices. This actually occurred, so beware of attorneys who tell you not to sue. And I call to your attention the situation of any besieged fortress. If that fortress does not make sallies, does not send forth patrols to attack and harass, and does not utilize itself to make the besieging of it a highly dangerous occupation, that fortress may, and most often does, fall.

The DEFENSE of anything is UNTENABLE. The only way to defend anything is to ATTACK, and if you ever forget that, then you will lose every bathe you are ever one seed in, whether it is in terms of personal conversation, public debate, or a court of aw NEVER BE INTERESTED IN CHARGES, DO, yearself, much MORE CHARGING, and you will WIN. And the public, seeing that you won, will then have a communication line to the effect that Scientologists WIN Don't ever let them have any other thought than that Scientology takes all of its objectives.

Another point directly in the interest of keeping the general public to the general public communication line in good odor: it is vitally important that a Scientologist put into action and overtly keep in action Article 4 of the Code: "I pledge myself to punish to the fullest extent of my power anyone misusing or degrading Scientology to harmful ends." The only way you can guarantee that Scientology will not be degraded or misused is to make sure that only those who are trained in it practice it. If you find somebody practicing Scientology who is not qualified, you should give them an opportunity to be formally trained, at their expense, so that they will not abuse and degrade the subject. And you would not take as any substitute for formal training any amount of study.

You would therefore delegate to members of the HASI who are not otherwise certified only those processes mentioned below, and would discourage them from using any other processes. More particularly, if you discovered that some group calling itself "precept processing" had set up and established a series of meetings in your area, you would do all you could to make things interesting for them. In view of the fact that the HASI holds the copyrights for all such material, and that a scientific organization of material can be copyrighted and is therefore owned, the least that could be done to such an area is the placement of a suit against them for using materials of Scientology without authority. Only a member of the HASI or a member of one of the churches affiliated with the HASI has the authority to use this information. The purpose of the

per only telephones to discribe the control of the server of thome, contuitedly,

A D.Scn. has the power to revoke a certificate below the level of D.Scn. but not a D.Scn. However, he can even recommend to the CLCS of the HASI that D.Scns. be set seef, and so any timere described to a pure of positions & introduced for the set.

1-30-87

JOHN G. PETERSON 1 PETERSON & BRYNAN 9530 Wilshire Boulevard Suite 407 Beverly Hills, California 90211 (213) 659-9965 4 ERIC M. LIEBERMAN RABINOWITZ, BOUDIN, STANDARD, 5 FILED KRINSKY & LIEBERMAN, P.C. 740 Broadway, Fifth Floor 6 New York, New York 10003-9518 (212) 254-1111 7 MICHAEL LEE HERTZBERG 8 275 Madison Avenue New York, New York 10016 9 (212) 679-1167 10 Plaintiff and Intervenor 11 SUPERIOR COURT OF THE STATE OF CALIFORNIA 12 FOR THE COUNTY OF LOS ANGELES 13 Case No. C 423 . Plaintiff, UNOPPOSED MOTION 15 TO WITHDRAW MEMORANDUM OF INTENDED DECISION VS. 16 GERALD ARMSTRONG, DOES 1 through 10, inclusive, 18 Defendants. 19 MARY SUE HUBBARD, 20 Intervenor. 21 GERALD ARMSTRONG, 22 Cross-Complainant, 23 VS.

Cross-Defendants.

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1:

Plaintiff and intervenor hereby move the court for an order withdrawing its memorandum of intended decision, dated June 20, 1984, statement of decision dated July 20, 1984 and judgement dated August 10, 1984, voiding said decisions as legal authority or precedent.

As grounds for their motion, movants state:

- 1. On December 18, 1986, the Court of Appeal rendered a decision dismissing movants' appeal from this court's judgment of August 10, 1984, on the ground that such judgment was not an appealable final order. The court made it clear that movants will have the right to pursue their appeals at the appropriate time, presumably upon the entry of a consolidated final judgment by this court. A copy of the Court of Appeal's decision is attached as Exhibit A hereto.
- 2. Accordingly, this court is presently free to withdraw its judgment, memorandum of intended decision, and statement of decision.
- 3. The memorandum of intended decision includes references to purported past practices of the Church and the alleged relationship of Mr. Hubbard to the Church. As the trial court and defendant recognized at trial and defendant acknowledged in his brief to the Court of Appeal, the evidence on such matters was introduced exclusively to show defendant's state of mind. Nevertheless, the court's references to such

^{4.} The movants have retained their right to prosecute

event that they prevail upon their appeal from this court's

August 10, 1984 judgment, which movants intend to reactivate

now that the cross-complaint has been dismissed. However, in

the interests of judicial economy and in order to terminate

this protracted litigation, the movants will forego their

appeal and dismiss their remaining damage claims against

Armstrong if the court withdraws its Memorandum of Intended

Decision.

ాకారు. కోటు కోట్లు కుట్టాడి ప్రాణ్యక్షులు క్రిక్స్ కుట్టాన్ని ప్రాణ్యక్షులు కాయ్ కొన్నికు కాయ్యక్షులు అంది కాట్లాన్ చేసికి

5. Mr. Armstrong has no objection to the granting of this motion or the signing of the proposed Order submitted herewith. Attached at Exhibit B is a statement of non-opposition executed by Mr. Armstrong's counsel.

WHEREFORE, the motion should be granted.

DATED: January 30, 1987

Respectfully submitted,

John G. PETERSON

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(212) 254-1111

MICHAEL LEE HERTZBERG 275 Madison Avenue New York, New York 10016

assigner: its Plaintiff and Intervenor

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Lenske, Lenske & Heller A LAW CORPORATION WOODLAND WEST BUILDING - SUITE 313 6400 CANOGA AVENUE MOODLAND BUILD SUITE 31367

WOODLAND HILLS, CALIFORNIA 91367 (818) 716-1444

Attorneys for Plaintiff

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

A CONTRACTOR OF THE PROPERTY O

FOR THE COUNTY OF LOS ANGELES

10 11) CASE NO. C 420-153 CHURCH OF SCIENTOLOGY OF CALIFORNIA, etc., 12 STATEMENT OF NON OPPOSITION) TO MOTION TO WITHDRAW 131 MEMORANDUM OF INTENDED DECISION Plaintiff, 15 GERALD ARMSTRONG, et al., 16 17 Defendants. Date: Time: 18 Place:

COMES NOW, defendant, GERALD ARMSTRONG, by and through his attorney of record, and informs the court that he will

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neither file any opposition to the Motion to Withdraw nor

DATED: January 30, 1987

CONTOS & BUNCH

Attorneys for Defendant GERALD ARMSTRONG

Date FEB. 2, 1987

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

HONORABLE G BRECKENRIDGE, JR

The state of the s

JUDGE

R HART N HARRIS , Deputy Clerk , Reporter

Deputy Sheriff

Court Attendant

(Parties and counsel checked if present)

C420153(Sealed file) GERALD ARMSTRONG,

Counsel for X- Plaintiff .

MEMORANDUM OF INTENDED DECISION

Counsel for MICHAEL LEE HERTZBERG / for X-- Defendant X-deft "Church" and intervenor M Hubbard

CHURCH OF SCIENTOLOGY OF CALIFORNIA,

NATURE OF PROCEEDINGS: EX PARTE MOTION OF CROSS-DEFENDANT TO WITHDRAW

Motion is called for hearing.

Motion is argued and denied.

SAYRE, MORENO, PURCELL & BOUCHER 10866 Wilshire Boulevard 2 Fourth Floor Los Angeles, California 90024 3 (213) 475-0505 Attorneys for Plaintiff 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 FOR THE COUNTY OF LOS ANGELES 10 11 BENT CORYDON, CASE NO. C 694401 12 Plaintiff, THIRD AMENDED COMPLAINT FOR LIBRL; SLANDER; LIBEL PER SE; 13 SLANDER PER SE; INTERFERENCE v. WITH ECONOMIC ADVANTAGE; 14 CHURCH OF SCIENTOLOGY INTERFERENCE WITH CONTRACTUAL INTERNATIONAL, INC.; AUTHOR RELATIONS; INTENTIONAL 15 SERVICES, INC.; AUTHOR FAMILY INFLICTION OF EMOTIONAL DISTRESS; NEGLIGENT INFLICTION TRUST; ESTATE OF L. RON 16 HUBBARD; HEBER JENTZSCH; OF EMOTIONAL DISTRESS SHIRLEY YOUNG; DAVID MISCAVIGE;) 17 TIMOTHY BOWLES; BRAD BALLENTINE; WARREN MCSHANE 18 and DOES 1 through 100, inclusive, 19 Defendants. 20 21 Plaintiff BENT CORYDON alleges as follows: 22 23 Plaintiff BENT CORYDON is an individual domiciled in ana ingas sé Callésanan, Jaunem Dé Romasalii. 26

Plaintiff is informed and believes and thereon

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all times herein mentioned, a California corporation duly
authorized to do, and doing, business in the State of California,
County of Los Angeles.

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- 3. Plaintiff is informed and believes, and thereon alleges, that Defendants AUTHOR FAMILY TRUST, ESTATE OF L. RON HUBBARD and AUTHOR SERVICES, INC., and each of them, are entities duly formed and operating under the laws of the State of California conducting business and other activities in the County of Los Angeles.
 - 4. Plaintiff is informed and beliaves, and thereon alleges, that Defendants DAVID MISCAVIGE, HEBER JENTZSCH, SHIRLFY YOUNG and TIMOTHY BOWLES, and each of them, are individuals operating in the County of Los Angeles as agents, partners, members or employees of Defendant CHURCH OF SCIENTOLOGY INTERNATIONAL, INC. (hereinafter referred to as Defendant "Church").
 - 5. The Complaint has previously been amended to name Doe Defendants 1 and 2 as NORMAN STARKEY and LYMAN SPURLOCK, respectfully, who shall hereinafter be referred in their real capacities. An amendement naming Doe No. 3 as BRIDGE PUBLICATIONS. INC., has been filed empartmently with this

true capacity and is included as one of the Church Defendants.

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- 7. Plaintiff is informed and believes and thereon alleges that each of the individual Defendants designated as a DOE is a participant in a conspiracy presently directed by the Managing Agents of Scientology (as hereinafter defined). The acts of said conspiracy continue to the present day. The conspirators include the Managing Agents, the several Scientology corporations acting as a single entity, and various individuals, including, the individual Defendants.
- 8. Alternatively, at all times herein mentioned each of the Defendants, including the DOES, was the agent, servant, employee, fellow member, associate and/or joint venturer or conspirator of each of the other remaining Defendants and was at all times acting within the purpose and scope of said agency.

implied knowledge or consent of the remaining Defendants, and each of them. The acts of each Defendant were approved and or

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ratified by each other Defendant and, together, constitute a single course of conduct.

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9. The business of the CHURCH OF SCIENTOLOGY INTERNATIONAL, INC. (hereinafter "the Church") and its affiliated entities as more fully described hereinafter, is the marketing and selling Dianetics and other the books of L. Ron Hubbard; profiting from such sales; marketing an extraordinarily expensive series of courses and counseling sessions by using fraudulent guarantees of improved intelligence, health and well-being. Through these counseling sessions, personal secrets are divulged in a confessional fashion and mind control techniques are utilized which entrap people into spending even more money on more courses and auditing, and in many instances, to persuade them into deserting their families and turn them into drones for Scientology. Persons who become such drones by joining the staff of one of the many subordinate organizations of Scientology are subject to further degradation for failure to meet goals set for sales of courses, clerical jobs, menial tasks - none of which are doctrinal in nature. Such degradation includes imprisonment at secret Scientology facilities, sleep deprivation, food deprivation and physical punishment, i.e., running around a flag pole for 10 hours a day.

disassociate from it or rebels, the Church uses various techniques including, but not limited to, threat of displaces as

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the privileged information in confessional files to blackmail and acontrol such traitors pursuant to the Church's fair game policy.

- Plaintiff further alleges that the designation of any 11. so Scientology entity as a church and/or non-profit entity is a sham and is designed solely to exploit the protections of the First Amendment, to obtain tax exemptions, to prevent the regulation of SCIENTOLOGY "counselors" or "counseling techniques" by state regulatory agencies.
 - Prior to his death in 1986, L. Ron Hubbard personally managed, directly or through subordinates, the entire SCIENTOLOGY enterprise including Defendants CHURCH, ASI, AUTHOR FAMILY TRUST and other entities including Religious Technology Centers (RTC), Scientology Missions International (SMI), etc. His management design was to ignore the formal structure of the several entities and to operate them as his personal domain and he did so. goal of this management technique was, first and foremost, to optimize Hubbard's personal income in violation of the prohibition against personal inurement imposed on institutions seeking charitable, religious, tax exempt status under I.R.C. § 501(c).

Furthermore, insofar as actual control of the entities were/are in the hands of an individual who was not within the forma

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several entities could be kept secretive.

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- Subsequent to HUBBARD's death, the control of Scientology passed from Hubbard to DAVID MISCAVIGE, NORMAN STARKEY, and LYMAN SPURLOCK (hereinafter sometimes referred to as "Scientology Managing Agents).
 - 15. The corporate defendants, including ASI, shall hereinafter be referred to jointly as the Church Defendants.
 - 16. From the period in or about 1962 until 1986 Plaintiff was a member of Defendant CHURCH. Plaintiff was duly indoctrinated into the Defendant CHURCH by regular and active recruitment techniques which involved claims that the programs and doctrines offered by Defendant CHURCH would raise his intelligence quotient to that of genius, prevent illnesses in participants and other attractive occurrences. Plaintiff paid substantial consideration to Defendant CHURCH for these programs.
 - In or about 1970, Plaintiff, having qualified for and achieved the highest status of counselor and minister within Defendant CHURCH, started his own franchise "mission" in

operated as an autonomous entity entirely independent of Defendant CHURCH under the general doctrine of Scientolsqv.

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"Fair Game" is a Defendant CHURCH doctrine and policy directing that any individual or employee who expresses a lack of loyalty or a refusal to comply with CHURCH policy or the orders of any of the Managing Agents or their subordinates is open to any form of harassment, economic ruin or subject to any covert or notorious plan purposely designed to cause emotional and physical harm and/or financial ruin no matter how invasive or despicable the method employed. This CHURCH doctrine champions the destruction of an individual's business or reputation, by a variety of tactics including framing false charges of criminal acts, intentional interference with business contracts, and with personal relationships, and other intentional acts.

In 1981, because of alleged infractions of CHURCH 20. rules, Plaintiff was coerced by the CHURCH Defendants, acting by and through certain individual Scientologists, to sign over and transfer his Riverside franchise to Defendants so as to avoid the

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In 1980, while Plaintiff was attempting

Riverside mission, Plaintiff was arrested and pleaded quilty to assault charges. Those charges arose when Plaintiff was investigated in connection with widespread loan fraud by CHURCH entities.

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- 22. In order to obtain or maintain a franchise within Defendant CHURCH, it is required that the franchisee be free of any criminal record. Defendant, HEBER JENTZSCH, President of The Church of Scientology International was present when Plaintiff personally handed over documents and communicated to representatives of the Church Defendants that his record had been wholly expunsed for the 1980 charges of assault and his name wholly cleared. Thereafter, Plaintiff was restored to his position in the Riverside Mission.
- 23. In 1982, as a result of his growing awareness that Scientology, the Defendant CHURCH and the Managing Agents were a fraudulent and violent group, Plaintiff broke away from the Church of Scientology and led the Riverside Mission to do the same.
- 24. Subsequent to this breaking away, Hubbard and his successors, MISCAVIGE, STARKEY and SPURLOCK conspired to undertake a campaign to harass and defame Plaintiff and to

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Sciologos. This conspiracy was commenced when in December 1982,

- 25. The conspiracy was furthered in late 1985 when, at a meeting attended by MISCAVIGE, STARKEY and SPURLOCK and other, DAVID MISCAVIGE ordered that Plaintiff be physically attacked and his group disrupted.
- 26. This plan was carried out on numerous occasions in 1985 and 1986 when Plaintiff was physically attacked. In February 1986, a high ranking Scientologist named DENNIS CLARK entered the Church of Sciologos looking for Plaintiff and, when he couldn't find him, physically attacked another person, Marc Chacon.
- 27. This plan was carried out by repeated invasions into the Church of Sciologos by Scientologists posing threats to persons legitimately therein, taking photographs of individuals whose privacy was intruded on, climbing onto the roof, and by provoking fights. The most recent of these events occurred in April 1988.
- 28. In 1985 Plaintiff began writing a book about Scientology and its founder, L. Ron Hubbard, which was published in August, 1987 under the title L. Ron Hubbard: Messiah or

SPURLOCK) received information about this from spies planted with Sciologos, Plaintiff's new church, and from Plaintiff's si-

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FIRST CAUSE OF ACTION

(Against All Defendants For Intentional
Interference With Prospective Economic
Advantage.)

29. Plaintiff realleges paragraphs 1 through 28, as though fully restated.

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- 30. As Plaintiff's book neared completion, the Defendants' fair game conspiracy plan, as directed by the Managing Agents, was expanded to include the goal of impeding the conclusion of the book, interfering with the publicity surrounding the release of the book, interfering with the dissemination and inducing DeWolf to breach his contract to participate in writing the book. This plan constituted an intentional interference with Plaintiff's prospective economic advantage from his book.
- 31. In furtherance of this plan, on information and belief, all Defendants, but particularly BRIDGE PUBLICATIONS coerced various bookstore chains, e.g., Waldenbooks into not carrying Plaintiff's book.
 - 32. Pursuant to the conspiracy, on or about August 6, 1988,

newspaper from publishing a review of BENT CORYDON's book. His letter stated in pertinent part:

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"We have evidence that your paper has a deepseated bias against the Church and intend to
hit the Church hard with this review. You are
the only even semi-major paper that is
bothering to consider a review of this book.

In light of this it is quite apparent and can
be proved that your motives in reviewing this
book are not literary or for putting forth
"news," but are to attack and denigrate the
Chruch through any vehicle you find available.

Corydon's book is so scandalous, full of lies and unprofessional that no major publication has touched it. If you forward one of his lies you will find yourself in court facing not only libel and slander charges, but also charges for conspiracy to violate civil rights. If you publish anything at all on it, you may still find yourself defending charges in court in light of what we know about your intentions. We know a whole lot more about your institution and motives than you think."

not cowed by the threat and published this letter alongside its review of L. Ron Hubbard: Messiah or Madman? However, Pluintif:

BOWLES and other Defendants to other newspapers and broadcast

33. For example, Defendants conspired to prevent Plaintiff

from appearing on radio talk shows about his book. Specifically,
in order to prevent his appearance on the radio station of

Pasadena City College, Shirely Young, president of the church of

Scientology-Los Angeles telephoned that radio station and falsely
stated that another radio station on which Plaintiff had appeared
received a bomb threat because of Plaintiff's appearance. That
statement was wholly false.

- 34. Because threats or lies similar to those described in paragraphs 22 and 34, a television interview by KATV in Portland, Oregon was cancelled as was an interview with KING in Seattle, Oregon. Also, the Portland Oregonian which had considered doing a story on the cancellations, abruptly changed its mind. Plaintiff believes and thereon alleges that these cancellations were all induced by threats made by all Defendants in furtherance of the conspiracy to interfere with Plaintiff's prospective advantage.
 - 35. In furtherance of the conspiracy Defendants conspired

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hereinafter alleged.

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In furtherance of his conspiracy, Defendants entered into a contract with Hubbard's estranged son, Ron DeWolf, who was collaborating with Plaintiff on the book, to breach his contract with Plaintiff and his publisher and to refuse to continue collaborating on the book and to sue the publisher for including his name as a co-author.

Each of the acts described in paragraphs 31-37 demonstrate a knowledge of Plaintiff's prospective economic advantage from the publication and sale of his book, and indicate a series of intentional acts designed to interfere with that prospective economic advantage. These acts did cause such interference and damage and were not within any privilege of fair competition. Furthermore, these acts intended to oppress the exercise of the First Amendment rights, not only of Plaintiff, but of the public insofar as it intentionally interfered with the public's "right to know". As such, the conduct of Defendants herein entitles Plaintiff to both compensatory damages, according

to proof, and punitive democat

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SECOND CAUSE OF ACTION

(Against All Defendants for Libel Per Se)

39. Plaintiff realleges paragraphs 1 through 28, 30 and 35 as if fully restated.

- 40. Pursuant to the conspiracy to interfere with Plaintiffs economic advantage and to defame him, on or about August 5, 1988, Defendant HEBER JENTZSCH, acting as President of the Church of Scientology International, telexed a statement to the St. Petersburg Times that Plaintiff has a criminal record.
- 41. That statement is untrue, defamatory on its fact, known to be false when published by JENTZSCH, unprivileged, tending to cause harm to plaintiff both personally and professionally and did cause harm.
 - 42. JENTZSCH's statement was intended to oppress and malign Plaintiff as part of the conspiracy hereinabove described.
 - 43. Wherefore, Plaintiff has been damaged in an amount according to proof and is entitled to punitive damages.

44. Plaintiff realleges herein the allegations of

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45. In August of 1987, HEBER JENTZSCH appeared on a CNN broadcast with BENT CORYDON and stated:

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"I have here his arrest record for assault with a deadly weapon when he tried to run over a Riverside County Sheriff. Not only that, I mean with this kind of thing going on with freeway attacks right now and people shooting people, this man has a criminal record, I CNN has to put that out there and let people know that he does have a criminal record, I have it right here . . "

- 46. The foregoing statement was false when made, known by JENTSCH to be false, and unprivileged. Further, they falsely charged Plaintiff with having been convicted of a crime and injured him in respect to his profession.
- 47. JENTZSCH's statement was intended to slander, to malign and oppress Plaintiff pursuant to the above described conspiracy.
- 48. Wherefore Plaintiff has been damaged in an amount according to proof and is entitled to punitive damages.

49. Plaintiff realleges paragraphs 1 through 18, 30 and 31

50. On or about August 10, 1987, on a program called Straight Talk on WOR-NY, Mr. JENTZSCH stated:

"First of all, here is a police report where you [CORYDON] are charged with assault with a deadly weapon upon a police officer, isn't that true? . . .

"The police report has to do . . . I want it known the man who is sitting here has a criminal record. He has a criminal record that's a court document report there

have the responsibility of saying that the person who makes the accusations does have a criminal record. And that's not the only thing . . .

BENT CORYDON: I do not have a criminal record.

JENTZSCH: He's lying."

51. The foregoing statements of HEBER JENTISCH were false,

falsely charged Plaintiff with having been convicted of a crime and injured him in his profession.

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- 52. Mr. JENTZSCH made those statements with an intent to slander, malign and oppress Plaintiff pursuant to the above-described conspiracy.
 - 53. Wherefore Plaintiff has been damaged in an amount according to proof and is entitled to punitive damages.

FIFTH CAUSE OF ACTION

(Against All Defendants for Invasion of Privacy)

- 54. Plaintiff realleges paragraphs 1 through 28, 30 and 35 as though fully restated.
- 55. Plaintiff had a statutory right to seek an expungement of his only criminal conviction. He exercised that right and the record of his arrest and conviction were expunged. Each Defendant knew of that expungement.
- 56. The history of that arrest and conviction was a matter of extreme personal sensitivity. Such expungements are intended to protect a person from unfair labeling as a criminal by society for a single mistake. The purpose of the expungement therefore is to preserve as undisclosable a matter of great personal importance.
- 57. Defendants' knowledge of the expungement was based on the notice of the expungement given to them by Plaintiff which

Riverside Mission since it is Defendant's policy that a person with a criminal record cannot hold the position of mission holder. As purported Church authoritiez with fiduciary duties to their members, the Church Defendants had a duty not to disclose such information.

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- 58. In addition to Defendants' conspiracy to defame
 Plaintiff, Defendants intended to broadcast the very private
 information about Plaintiff with the intent to offend and harm
 Plaintiff and cause him to extreme emotional distress.
- 59. The public disclosure of these private facts was an intentional abuse of Defendants' knowledge of private information; was not of legitimate public concern; and had no bearing on the credibility of Plaintiff's book, L. Ron Hubbard:

 Messiah or Madman?
- 60. Plaintiff suffered an impairment of his peace of mind, an extreme discomfort more acute than bodily injury and humiliation, all of which were intended by Defendants
 - 61. Therefore, Plaintiff seeks compensatory damages

restrictive to exect the suntains function.

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SIXTH CAUSE OF ACTION

Commence of the transfer of the state of the

(Against All Defendants for Slander)

- 62. Plaintiff realleges paragraphs 1 through 28, 30 and 35 as though fully restated.
 - On January 8, 1988, SHIRLEY YOUNG appeared as a guest on KSDO-KS 103 FM. Referring to Plaintiff's leadership of the Mission in Riverside before he broke away from Scientology, and under the discretion of the Managing Agents pursuant to the above-described conspiracy, she said:

"Mr. Corydon . . . had turned things around to the point where he was pocketing money of the church. He had his own house constructed. He took individuals that were there to work for the church to come to his house in addition to what they were doing at the Church and build his house . . . (H)e also arranged where he could receive extra finances and they would have other people accept the money for him so he could be in different tax breaks, you know instead of higher taxes . . . He got involved in fraudulent loan applications to various loan placed in the Ricerciae area.

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In 1986, Defendants knew that Plaintiff had contracted with Hubbard's estranged son, L. Ron Hubbard, Jr. aka Ron De Wolf for De Wolf's participation in the writing of Plaintiff's book.

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69. Pursuant to the conspiracy hereinabove described, Defendants did induce De Wolf to break that contract and to refuse further participation in the book and to demand that his

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70. De Wolf did breach said contract and Plaintiff S

EIGHTH CAUSE OF ACTION

(Interference with Prospective Economic Advantage
Against All Defendants Except Timothy Bowles)

- 72. Plaintiff realleges by this reference and incorporates herein paragraphs 1 through 28 and 30, inclusive, and by this reference makes them a part hereof.
- 73. As the starting point for the conspiracy described in paragraphs 24 through 28, above, Defendants planned to steal from Sciologos those parishioners who indicated their interest in joining in its separation from the CHURCH. The economic viability of Sciologos and Plaintiff depended on the income derived from those parishioners and payments made for services and courses. Each Defendant had knowledge of the names of the parishioners and of their relationship with SCIOLOGOS.
- 74. Several meetings were sponsored by Defendants to which Sciologos parishioners were invited and at which Cross-Defendants slandered the leadership of Sciologos. This slander included accusing BENT CORYDON and others of misuing funds belonging to

unprivileged, known to be untrue, accused Plaintiff of several crimes, was harmful to Bent Corydon in his profession and or

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- 76. Thereafter, the conspiracy included numerous acts over a long period of time, up to the present, designed to demean Sciologos and BENT CORYDON in the community, to impair Sciologos' economic viability, and to render its building a place in which people feared for their safety. Such acts include the following:
- (a) In 1984 Defendants encouraged and required certain ex-parishioners to file unwarranted lawsuits against Sciologos for refunds in an effort to deplete its resources and overwhelm the staff;
- (b) In 1985 DAVID MISCAVICH put into operation a standing order to Scientologist co-conspirators and DOES 5 through 50 to physically attack BENT CORYDON and to disrupt Sciologos' operations;
- (c) In February 1986, pursuant to the MISCAVICH standing order, a Scientologist named Dennis Clark entered the Sciologos building in Riverside and, after starting a loud argument, attacked one of the staff members of Sciologos. Then,

towards another member of the Sciologos staff who was recording the license plate of the car;

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- (e) In 1985, BENT CORYDON was assaulted by Scientologists while standing in a telephone booth near the Gilman Hot Springs headquarters of Scientology;
- (f) In 1986, BENT CORYDON was shoved by Scientologists in the federal courthouse in Los Angeles where he was present to observe proceedings in Scientology-related litigation.
- 77. As a result of each of the conspiratorial acts described in paragraphs 24 through 28, 30 and 71 through 75(a)—
 (f), the economic relationship between and among Sciologos and many of its parishioners and its potential parishioners was destroyed. Consequently, BENT CORYDON has suffered a substantial loss of income in an amount to be proved.

79. Indefer as the esta of the senapirous wars intentionally designed to inpute Stainside in and professional rights of free speech and the exercise of his freedom of religion, Plaintiff also seeks punitive damages.

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wherefore, Plaintiff prays for judgment against Defendants, and each of them, as follows:

- General damages in a sum according to proof at time of trial in excess of the minimum jurisdictional amount of this

 Court:
- All statutory damages in a sum in excess of the minimum jurisdictional amount of this Court;
- 3. All special damages according to proof at time of trial;
- 4. All exemplary and punitive damages in an amount according to proof at time of trial;
 - 5. For costs of suit and attorney's fees incurred herein;
- 6. For such other and further relief as the court may deem just and proper.

DATED: December /, 1988.

SAYRE, MORENO, PURCELL & BOUCHER

FEDERICO C. SAYRE

Attorneys for Plaintif

HUBBARD COMMUNICATIONS OFFICE Saint Hill Manor, East Grinstead, Sussex

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HCO POLICY LETTER OF 18 OCTOBER 1967
[ssue IV]

PENALTIES FOR LOWER CONDITIONS

(Applies both Orgs and Sea Org)

- LIABILITY Suspension of Pay and a dirty grey rag on left arm and day and night confinement to org premises.
- TREASON Suspension of pay and deprivation of all uniforms and insignia, a black mark on left cheek and confinement on org premises or dismissal from post and debarment from premises.
- DOUBT Debarment from premises. Not to be employed. Payment of fine amounting to any sum may have cost org. Not to be trained or processed. Not to be communicated or argued with.
- ENEMY SP Order. Fair game. May be deprived of property or injured by any means by any Scientologist without any discipline of the Scientologist. May be tricked, sued or lied to or destroyed.

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LRH:jp Copyright c 1967 by L. Ron Hubbard ALL RIGHTS RESERVED

L. RON HUBBARD Founder

STATE OF CALIFORNIA)
)ss
COUNTY OF LOS ANGELES)
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I, Evelyn Taylor, am a resident of/employed in the aforesaid county, State of California. I am over the age of 18 years and not a party to the within action. My business/residence address is: 10866 Wilshire Blvd., Fourth Floor, Los Angeles, California 90024.

On January 5, 1989, I served the foregoing:

OPPOSITION TO PETITION FOR WRIT OF SUPERSEDAS OR

OTHER STAY ORDER on the interested parties in this

action by placing a true copy thereof, enclosed in a

sealed envelope, addressed as follows:

SEE ATTACHED SERVICE LIST

By mail I caused such envelope with postage thereon fully paid to be placed in the United States mail at Los Angeles, California.

I certify under the penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on January 5, 1989



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KENDRICK L. MOXON TIMOTHY BOWLES BOWLES & MOXON 6255 SUNSET BLVD. SUITE 2000 HOLLYWOOD, CA 90028

PAUL MORANTZ P.O. BOX 511 PACIFIC PALISADES, CA 90272

MICHAEL FLYNN 400 ATLANTIC AVENUE BOSTON, MA

ERIC LIEBERMAN
RABINOWITZ, BOUDIN, ET. AL.
740 BROADWAY AT ASTOR PLACE
NEW YORK, NEW YORK, 10003

CLERK OF THE SUPERIOR COURT 111 NORTH HILL STREET LOS ANGELES, CA 90012